88R11095 SHH-D

By:  Parker S.B. No. 1956

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from ad valorem taxation of the residence homestead of a Congressional Medal of Honor recipient or the surviving spouse of a Congressional Medal of Honor recipient.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.136 to read as follows:

Sec. 11.136.  RESIDENCE HOMESTEAD OF CONGRESSIONAL MEDAL OF HONOR RECIPIENT. (a) In this section:

(1)  "Congressional Medal of Honor recipient" means a person who has been awarded the Congressional Medal of Honor.

(2)  "Residence homestead" has the meaning assigned by Section 11.13.

(3)  "Surviving spouse" means the individual who was married to a Congressional Medal of Honor recipient at the time of the recipient's death.

(b)  A Congressional Medal of Honor recipient is entitled to an exemption from taxation of the total appraised value of the recipient's residence homestead.

(c)  The surviving spouse of a Congressional Medal of Honor recipient is entitled to an exemption from taxation of the total appraised value of the surviving spouse's residence homestead if the surviving spouse has not remarried since the death of the recipient.

SECTION 2.  Section 11.42(e), Tax Code, is amended to read as follows:

(e)  A person who qualifies for an exemption under Section 11.131, 11.136, or 11.35 after January 1 of a tax year may receive the exemption for the applicable portion of that tax year immediately on qualification for the exemption.

SECTION 3.  Section 11.43(c), Tax Code, is amended to read as follows:

(c)  An exemption provided by Section 11.13, 11.131, 11.132, 11.133, 11.134, 11.136, 11.17, 11.18, 11.182, 11.1827, 11.183, 11.19, 11.20, 11.21, 11.22, 11.23(a), (h), (j), (j-1), or (m), 11.231, 11.254, 11.27, 11.271, 11.29, 11.30, 11.31, 11.315, or 11.35, once allowed, need not be claimed in subsequent years, and except as otherwise provided by Subsection (e), the exemption applies to the property until it changes ownership or the person's qualification for the exemption changes. However, except as provided by Subsection (r), the chief appraiser may require a person allowed one of the exemptions in a prior year to file a new application to confirm the person's current qualification for the exemption by delivering a written notice that a new application is required, accompanied by an appropriate application form, to the person previously allowed the exemption. If the person previously allowed the exemption is 65 years of age or older, the chief appraiser may not cancel the exemption due to the person's failure to file the new application unless the chief appraiser complies with the requirements of Subsection (q), if applicable.

SECTION 4.  Section 26.10(c), Tax Code, is amended to read as follows:

(c)  If the appraisal roll shows that a residence homestead exemption under Section 11.131 or 11.136 applicable to a property on January 1 of a year terminated during the year, the tax due against the residence homestead is calculated by multiplying the amount of the taxes that otherwise would be imposed on the residence homestead for the entire year had the individual not qualified for the applicable exemption [~~under Section 11.131~~] during the year by a fraction, the denominator of which is 365 and the numerator of which is the number of days that elapsed after the date the exemption terminated.

SECTION 5.  Section 26.1125, Tax Code, is amended to read as follows:

Sec. 26.1125.  CALCULATION OF TAXES ON RESIDENCE HOMESTEAD OF 100 PERCENT OR TOTALLY DISABLED VETERAN OR CONGRESSIONAL MEDAL OF HONOR RECIPIENT. (a) If a person qualifies for an exemption under Section 11.131 or 11.136 after the beginning of a tax year, the amount of the taxes on the residence homestead of the person for the tax year is calculated by multiplying the amount of the taxes that otherwise would be imposed on the residence homestead for the entire year had the person not qualified for the applicable exemption [~~under Section 11.131~~] by a fraction, the denominator of which is 365 and the numerator of which is the number of days that elapsed before the date the person qualified for the applicable exemption [~~under Section 11.131~~].

(b)  If a person qualifies for an exemption under Section 11.131 or 11.136 with respect to the property after the amount of the tax due on the property is calculated and the effect of the qualification is to reduce the amount of the tax due on the property, the assessor for each taxing unit shall recalculate the amount of the tax due on the property and correct the tax roll. If the tax bill has been mailed and the tax on the property has not been paid, the assessor shall mail a corrected tax bill to the person in whose name the property is listed on the tax roll or to the person's authorized agent. If the tax on the property has been paid, the tax collector for the taxing unit shall refund to the person who was the owner of the property on the date the tax was paid the amount by which the payment exceeded the tax due.

SECTION 6.  Section 403.302(d-1), Government Code, is amended to read as follows:

(d-1)  For purposes of Subsection (d), a residence homestead that receives an exemption under Section 11.131, 11.133, [~~or~~] 11.134, or 11.136, Tax Code, in the year that is the subject of the study is not considered to be taxable property.

SECTION 7.  Section 11.136, Tax Code, as added by this Act, applies only to ad valorem taxes imposed for a tax year that begins on or after the effective date of this Act.

SECTION 8.  This Act takes effect January 1, 2024, but only if the constitutional amendment proposed by the 88th Legislature, Regular Session, 2023, authorizing the legislature to provide for an exemption from ad valorem taxation of all or part of the market value of the residence homestead of a Congressional Medal of Honor recipient or the surviving spouse of a Congressional Medal of Honor recipient is approved by the voters. If that constitutional amendment is not approved by the voters, this Act has no effect.