

By: Jones of Harris

H.B. No. 5013

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from ad valorem taxation of 50 percent of the appraised value of the residence homestead of a person who has received a residence homestead exemption on the property for at least the preceding 10 years.

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

SECTION 1. Section 11.13, Tax Code, is amended by amending Subsection (i) and adding Subsection (s) to read as follows:

(i) The assessor and collector for a taxing unit may disregard the exemptions authorized by Subsection (b), (c), (d), ~~or~~ (n), or (s) [of this section] and assess and collect a tax pledged for payment of debt without deducting the amount of the exemption if:

(1) prior to adoption of the exemption, the taxing unit pledged the taxes for the payment of a debt; and

(2) granting the exemption would impair the obligation of the contract creating the debt.

(s) In addition to any other exemptions provided by this section, an individual is entitled to an exemption from taxation of 50 percent of the appraised value of the individual's residence homestead if the individual has received an exemption under this section for the same residence homestead for at least the preceding 10 years.

SECTION 2. Section 11.42(c), Tax Code, is amended to read as

1 follows:

2 (c) An exemption authorized by Section 11.13(c), ~~or~~ (d),  
3 or (s), 11.132, 11.133, or 11.134 is effective as of January 1 of  
4 the tax year in which the person qualifies for the exemption and  
5 applies to the entire tax year.

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

8 (a) To receive an exemption, a person claiming the  
9 exemption, other than an exemption authorized by Section 11.11,  
10 11.12, 11.13(s), 11.14, 11.141, 11.145, 11.146, 11.15, 11.16,  
11 11.161, or 11.25, must apply for the exemption. To apply for an  
12 exemption, a person must file an exemption application form with  
13 the chief appraiser for each appraisal district in which the  
14 property subject to the claimed exemption has situs.

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

17 (b) If the appraisal roll shows that a residence homestead  
18 exemption under Section 11.13(c), ~~or~~ (d), or (s), 11.132, 11.133,  
19 or 11.134 applicable to a property on January 1 of a year terminated  
20 during the year and if the owner of the property qualifies a  
21 different property for one of those residence homestead exemptions  
22 during the same year, the tax due against the former residence  
23 homestead is calculated by:

24 (1) subtracting:

25 (A) the amount of the taxes that otherwise would  
26 be imposed on the former residence homestead for the entire year had  
27 the owner qualified for the residence homestead exemption for the

1 entire year; from

2 (B) the amount of the taxes that otherwise would  
3 be imposed on the former residence homestead for the entire year had  
4 the owner not qualified for the residence homestead exemption  
5 during the year;

6 (2) multiplying the remainder determined under  
7 Subdivision (1) by a fraction, the denominator of which is 365 and  
8 the numerator of which is the number of days that elapsed after the  
9 date the exemption terminated; and

10 (3) adding the product determined under Subdivision  
11 (2) and the amount described by Subdivision (1)(A).

12 SECTION 5. Section 26.112, Tax Code, is amended to read as  
13 follows:

14 Sec. 26.112. CALCULATION OF TAXES ON RESIDENCE HOMESTEAD OF  
15 CERTAIN PERSONS. (a) Except as provided by Section 26.10(b), if at  
16 any time during a tax year property is owned by an individual who  
17 qualifies for an exemption under Section 11.13(c), ~~or~~ (d), or  
18 (s), 11.133, or 11.134, the amount of the tax due on the property  
19 for the tax year is calculated as if the individual qualified for  
20 the exemption on January 1 and continued to qualify for the  
21 exemption for the remainder of the tax year.

22 (b) If an individual qualifies for an exemption under  
23 Section 11.13(c), ~~or~~ (d), or (s), 11.133, or 11.134 with respect  
24 to the property after the amount of the tax due on the property is  
25 calculated and the effect of the qualification is to reduce the  
26 amount of the tax due on the property, the assessor for each taxing  
27 unit shall recalculate the amount of the tax due on the property and

1 correct the tax roll. If the tax bill has been mailed and the tax on  
2 the property has not been paid, the assessor shall mail a corrected  
3 tax bill to the person in whose name the property is listed on the  
4 tax roll or to the person's authorized agent. If the tax on the  
5 property has been paid, the tax collector for the taxing unit shall  
6 refund to the person who was the owner of the property on the date  
7 the tax was paid the amount by which the payment exceeded the tax  
8 due.

9       SECTION 6. The exemption from ad valorem taxation of a  
10 residence homestead authorized by Section [11.13\(s\)](#), Tax Code, as  
11 added by this Act, applies only to taxes imposed beginning with the  
12 2024 tax year.

13       SECTION 7. This Act takes effect January 1, 2024, but only  
14 if the constitutional amendment proposed by the 88th Legislature,  
15 Regular Session, 2023, to exempt from ad valorem taxation 50  
16 percent of the appraised value of the residence homestead of a  
17 person who has received a residence homestead exemption for the  
18 property for at least the preceding 10 years is approved by the  
19 voters. If that amendment is not approved by the voters, this Act  
20 has no effect.