

By: Blanco

S.J.R. No. 31

1 A JOINT RESOLUTION

2 proposing a constitutional amendment authorizing the governing
3 body of a political subdivision other than a school district to
4 adopt an exemption from ad valorem taxation of a portion, expressed
5 as a dollar amount, of the market value of an individual's residence
6 homestead.

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

8 SECTION 1. Section 1-b, Article VIII, Texas Constitution,
9 is amended by adding Subsections (q), (r), and (s) to read as
10 follows:

11 (q) The governing body of a political subdivision other than
12 a school district by official action may exempt from ad valorem
13 taxation a portion of the market value of the residence homestead of
14 an individual. The amount of the exemption is \$14,000 except that
15 if the average market value of residence homesteads in the
16 political subdivision in the tax year in which the exemption is
17 adopted exceeds \$70,000, the governing body may authorize an
18 exemption in a larger dollar amount not to exceed an amount equal to
19 20 percent of the average market value of residence homesteads in
20 the political subdivision in the tax year in which the exemption is
21 adopted. The legislature by general law shall specify the method
22 for computing the average market value of residence homesteads for
23 purposes of this subsection. The legislature by general law may
24 prohibit the governing body of a political subdivision that adopts

1 an exemption under this subsection from reducing the amount of or
2 repealing the exemption. Where ad valorem tax has previously been
3 pledged for the payment of debt, the governing body may continue to
4 levy and collect the tax against the value of the homesteads
5 exempted under this subsection until the debt is discharged if the
6 cessation of the levy would impair the obligation of the contract by
7 which the debt was created.

8 (r) The exemption amount and the average market value of
9 residence homesteads amount described in Subsection (q) of this
10 section apply to the 2024 tax year. For each subsequent tax year,
11 the comptroller shall adjust those amounts to reflect inflation by
12 using the index that the comptroller considers to most accurately
13 report changes in the purchasing power of the dollar for consumers
14 in this state and shall publicize the adjusted amounts.

15 (s) This subsection applies only to a political subdivision
16 the governing body of which has ceased granting an exemption under
17 Subsection (e) of this section, if doing so is not prohibited by the
18 legislature by general law, and has adopted an exemption under
19 Subsection (q) of this section. An individual who would have been
20 entitled to an exemption from ad valorem taxation by the political
21 subdivision under Subsection (e) of this section had the governing
22 body not ceased granting an exemption under that subsection is
23 entitled to continue to receive an exemption under that subsection
24 in lieu of the exemption under Subsection (q) of this section if the
25 individual otherwise qualifies for the exemption under Subsection
26 (e) of this section and the amount of the exemption under that
27 subsection exceeds the amount of the exemption under Subsection (q)

1 of this section. The exemption applies only to property for which
2 the individual received an exemption under Subsection (e) of this
3 section in the last tax year in which the governing body granted an
4 exemption under that subsection. The exemption expires in the
5 event of a change in ownership of the property or, if the property
6 is owned by a trust and the trustor of the trust or a beneficiary of
7 the trust has the right to use and occupy the property as the
8 trustor's or beneficiary's principal residential property, a change
9 in the trustor or beneficiary of the trust, respectively.

10 SECTION 2. The following temporary provision is added to
11 the Texas Constitution:

12 TEMPORARY PROVISION. (a) This temporary provision applies
13 to the constitutional amendment proposed by the 88th Legislature,
14 Regular Session, 2023, authorizing the governing body of a
15 political subdivision other than a school district to adopt an
16 exemption from ad valorem taxation of a portion, expressed as a
17 dollar amount, of the market value of an individual's residence
18 homestead.

19 (b) The amendment to Section 1-b, Article VIII, of this
20 constitution takes effect beginning with the tax year that begins
21 January 1, 2024.

22 (c) This temporary provision expires January 1, 2025.

23 SECTION 3. This proposed constitutional amendment shall be
24 submitted to the voters at an election to be held November 7, 2023.
25 The ballot shall be printed to permit voting for or against the
26 proposition: "The constitutional amendment authorizing the
27 governing body of a political subdivision other than a school

1 district to adopt an exemption from ad valorem taxation of a
2 portion, expressed as a dollar amount, of the market value of an
3 individual's residence homestead."