

By: Eiland

H.B. No. 1292

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from ad valorem taxation of the total appraised value of the residence homestead of a member of a reserve component of the United States armed forces who is serving on active duty during a war or national emergency.

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

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

(s) In addition to any other exemptions provided by this section, an individual is entitled to an exemption from taxation by a taxing unit of the total appraised value of the individual's residence homestead if:

(1) the individual:

(A) is a member of a reserve component of the United States armed forces, including the National Guard;

(B) is deployed or stationed on active duty during a war or national emergency declared in accordance with federal law for any part of the tax year at a location that is at least 60 miles from the individual's residence homestead; and

(C) has been continuously deployed or stationed on active duty during a war or national emergency declared in accordance with federal law for at least the preceding six months, disregarding temporary periods of leave or other absence, at one or more locations each of which is at least 60 miles from the

individual's residence homestead; and

(2) the exemption is adopted either:

(A) by the governing body of the taxing unit; or

(B) by a favorable vote of a majority of the
qualified voters of the taxing unit at an election called by the
governing body of a taxing unit, and the governing body shall call
the election on the petition of at least 20 percent of the number of
qualified voters who voted in the preceding election of the taxing
unit.

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

(e) A person who qualifies for an exemption under Section
11.13(s) 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, Tax Code, is amended by adding
Subsection (c-1) to read as follows:

(c-1) To receive an exemption authorized by Section
11.13(s), a person must submit an application for the exemption
even if the person already receives another exemption under Section
11.13. The application required by this subsection must include an
affidavit and a copy of official documents evidencing the person's
active duty status. The chief appraiser may require a person
allowed an exemption authorized under Section 11.13(s) in a prior
year to file a new affidavit to confirm the person's current
qualification for the exemption by delivering not later than April
1 a written notice that the affidavit is required, accompanied by an

affidavit form, to the person. An affidavit required by this
subsection must be in substantially the following form:

"I, _____, do hereby solemnly swear or affirm that I am a
member of a reserve component of the United States armed forces,
including the National Guard, serving on active duty during a war or
national emergency declared in accordance with federal law, with
the period of duty beginning on _____.

Subscribed to and sworn before me this _____ day of
_____, _____.

SEAL

Notary Public in and for
_____ County, Texas"

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

(c) If the appraisal roll shows that a residence homestead
exemption under Section 11.13(s) applicable to a property on
January 1 of a year terminated during the year, the tax due against
the residence homestead is calculated by:

(1) subtracting:

(A) the amount of the taxes that otherwise would
be imposed on the residence homestead for the entire year had the
individual qualified for the exemption under Section 11.13(s) for
the entire year; from

(B) 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 exemption under Section 11.13(s)
during the year;

1 (2) multiplying the remainder determined under
2 Subdivision (1) by a fraction, the denominator of which is 365 and
3 the numerator of which is the number of days of that year remaining
4 after the date the exemption terminated; and

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

7 SECTION 5. Chapter 26, Tax Code, is amended by adding
8 Section 26.1125 to read as follows:

9 Sec. 26.1125. CALCULATION OF TAXES ON RESIDENCE HOMESTEAD
10 OF MILITARY RESERVIST. (a) If a person qualifies for an exemption
11 under Section 11.13(s) after the beginning of a tax year, the amount
12 of the taxes on the residence homestead of the person for the tax
13 year is calculated by:

14 (1) subtracting:

15 (A) the amount of the taxes that otherwise would
16 be imposed on the residence homestead for the entire year had the
17 person qualified for the exemption under Section 11.13(s) on
18 January 1; from

19 (B) the amount of the taxes that otherwise would
20 be imposed on the residence homestead for the entire year had the
21 person not qualified for the exemption under Section 11.13(s);

22 (2) multiplying the remainder determined under
23 Subdivision (1) by a fraction, the denominator of which is 365 and
24 the numerator of which is the number of days of that year that
25 elapsed prior to the date that the person qualified for the
26 exemption under Section 11.13(s); and

27 (3) adding the product determined under Subdivision

1 (2) and the amount described by Subdivision (1)(A).

2 (b) If a person qualifies for an exemption under Section
3 11.13(s) with respect to the property after the amount of the tax
4 due on the property is calculated and the effect of the
5 qualification is to reduce the amount of the tax due on the
6 property, the assessor for each taxing unit shall recalculate the
7 amount of the tax due on the property and correct the tax roll. If
8 the tax bill has been mailed and the tax on the property has not been
9 paid, the assessor shall mail a corrected tax bill to the person in
10 whose name the property is listed on the tax roll or to the person's
11 authorized agent. If the tax on the property has been paid, the tax
12 collector for the taxing unit shall refund to the person who paid
13 the tax the amount by which the payment exceeded the tax due.

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

16 (d) For the purposes of this section, "taxable value" means
17 the market value of all taxable property less:

18 (1) the total dollar amount of any residence homestead
19 exemptions lawfully granted under Section 11.13(b), ~~[or]~~ (c), or
20 (s), Tax Code, in the year that is the subject of the study for each
21 school district;

22 (2) one-half of the total dollar amount of any
23 residence homestead exemptions granted under Section 11.13(n), Tax
24 Code, in the year that is the subject of the study for each school
25 district;

26 (3) the total dollar amount of any exemptions granted
27 before May 31, 1993, within a reinvestment zone under agreements

1 authorized by Chapter 312, Tax Code;

2 (4) subject to Subsection (e), the total dollar amount
3 of any captured appraised value of property that:

4 (A) is within a reinvestment zone created on or
5 before May 31, 1999, or is proposed to be included within the
6 boundaries of a reinvestment zone as the boundaries of the zone and
7 the proposed portion of tax increment paid into the tax increment
8 fund by a school district are described in a written notification
9 provided by the municipality or the board of directors of the zone
10 to the governing bodies of the other taxing units in the manner
11 provided by Section 311.003(e), Tax Code, before May 31, 1999, and
12 within the boundaries of the zone as those boundaries existed on
13 September 1, 1999, including subsequent improvements to the
14 property regardless of when made;

15 (B) generates taxes paid into a tax increment
16 fund created under Chapter 311, Tax Code, under a reinvestment zone
17 financing plan approved under Section 311.011(d), Tax Code, on or
18 before September 1, 1999; and

19 (C) is eligible for tax increment financing under
20 Chapter 311, Tax Code;

21 (5) for a school district for which a deduction from
22 taxable value is made under Subdivision (4), an amount equal to the
23 taxable value required to generate revenue when taxed at the school
24 district's current tax rate in an amount that, when added to the
25 taxes of the district paid into a tax increment fund as described by
26 Subdivision (4)(B), is equal to the total amount of taxes the
27 district would have paid into the tax increment fund if the district

1 levied taxes at the rate the district levied in 2005;

2 (6) the total dollar amount of any captured appraised
3 value of property that:

4 (A) is within a reinvestment zone:

5 (i) created on or before December 31, 2008,
6 by a municipality with a population of less than 18,000; and

7 (ii) the project plan for which includes
8 the alteration, remodeling, repair, or reconstruction of a
9 structure that is included on the National Register of Historic
10 Places and requires that a portion of the tax increment of the zone
11 be used for the improvement or construction of related facilities
12 or for affordable housing;

13 (B) generates school district taxes that are paid
14 into a tax increment fund created under Chapter 311, Tax Code; and

15 (C) is eligible for tax increment financing under
16 Chapter 311, Tax Code;

17 (7) the total dollar amount of any exemptions granted
18 under Section 11.251 or 11.253, Tax Code;

19 (8) the difference between the comptroller's estimate
20 of the market value and the productivity value of land that
21 qualifies for appraisal on the basis of its productive capacity,
22 except that the productivity value estimated by the comptroller may
23 not exceed the fair market value of the land;

24 (9) the portion of the appraised value of residence
25 homesteads of individuals who receive a tax limitation under
26 Section 11.26, Tax Code, on which school district taxes are not
27 imposed in the year that is the subject of the study, calculated as

1 if the residence homesteads were appraised at the full value
2 required by law;

3 (10) a portion of the market value of property not
4 otherwise fully taxable by the district at market value because of:

5 (A) action required by statute or the
6 constitution of this state that, if the tax rate adopted by the
7 district is applied to it, produces an amount equal to the
8 difference between the tax that the district would have imposed on
9 the property if the property were fully taxable at market value and
10 the tax that the district is actually authorized to impose on the
11 property, if this subsection does not otherwise require that
12 portion to be deducted; or

13 (B) action taken by the district under Subchapter
14 B or C, Chapter 313, Tax Code;

15 (11) the market value of all tangible personal
16 property, other than manufactured homes, owned by a family or
17 individual and not held or used for the production of income;

18 (12) the appraised value of property the collection of
19 delinquent taxes on which is deferred under Section 33.06, Tax
20 Code;

21 (13) the portion of the appraised value of property
22 the collection of delinquent taxes on which is deferred under
23 Section 33.065, Tax Code; and

24 (14) the amount by which the market value of a
25 residence homestead to which Section 23.23, Tax Code, applies
26 exceeds the appraised value of that property as calculated under
27 that section.

1 SECTION 7. This Act takes effect on the date on which the
2 constitutional amendment authorizing a political subdivision to
3 exempt from ad valorem taxation the total assessed value of the
4 residence homestead of a member of a reserve component of the United
5 States armed forces who is serving on active duty during a war or
6 national emergency is approved by the voters. If that amendment is
7 not approved by the voters, this Act has no effect.