

## **BILL ANALYSIS**

S.B. 1154  
By: Hall  
Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Citing a recent district court ruling against a disabled veteran seeking repayment for homestead taxes from which the veteran should have been exempt except that the veteran's disability application was not processed until more than three years after the application was filed, interested parties contend that veterans need a remedy for such situations caused by the inefficiency of the federal government in processing their disability applications. S.B. 1154 seeks to address this issue by eliminating the current constraint on the state's ability to grant disabled veterans the property tax exemption to which they are lawfully entitled.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

S.B. 1154 amends the Tax Code to require a chief appraiser to accept and approve or deny an application for a property tax exemption for the residence homestead of a 100 percent or totally disabled veteran after the filing deadline for such an exemption if the application is filed not later than one year after the date on which the U.S. Department of Veterans Affairs or its successor approves the veteran's disability application. The bill entitles a disabled veteran to receive the exemption for any tax year for which the veteran is determined by the department to be eligible to receive 100 percent disability compensation due to a service-connected disability and a rating of 100 percent disabled or individual unemployability and for which the veteran is otherwise qualified for the exemption.

S.B. 1154 requires a chief appraiser, if a late application is approved after approval of the appraisal records for a year for which the exemption is granted, to notify the collector for each taxing unit in which the property was taxable in that year. The bill requires the collector to deduct from the person's tax bill the amount of tax imposed on the property for that year and any penalties and interest relating to that tax if the tax and related penalties and interest have not been paid. The bill makes a person that paid the tax and related penalties and interest on the property for a tax year for which an exemption is granted under the bill's provisions eligible for a refund of the tax, penalties, and interest paid. The bill establishes that the three-year deadline for applying for a tax refund for overpayments or erroneous payments does not apply to such a refund.

**EFFECTIVE DATE**

September 1, 2015.