

- SUBJECT:** Property tax exemption for the surviving spouse of a disabled person
- COMMITTEE:** Ways and Means — favorable, without amendment
- VOTE:** 8 ayes — Hilderbran, Otto, Bohac, Button, Eiland, N. Gonzalez, Ritter, Strama
- 0 nays
- 1 absent — Martinez Fischer
- WITNESSES:** For — Michael Hand, Wise County Appraisal District; (*Registered, but did not testify*: Brent Connett, Texas Conservative Coalition; Marya Crigler, Texas Association of Appraisal Districts Legislative Committee, Travis Central Appraisal District; Windy Nash, Texas Association of Appraisal Districts and Dallas Central Appraisal District; Jim Robinson, Texas Association of Appraisal Districts, Legislative Committee; Brent South, Hunt County Appraisal District, Texas Association of Appraisal Districts)
- Against — (*Registered, but did not testify*: Rodrigo Carreon)
- On — Debbie Cartwright, Office of Comptroller of Public Accounts
- BACKGROUND:** Texas Constitution, Art. 8, sec. 1-b(d), provides for a residence homestead exemption granted to a person who receives the exemption by virtue of being at least 65 years old or disabled. The total amount of property taxes imposed on that homestead for general elementary and secondary public school purposes may not be increased while it remains the residence homestead of that person or his or her spouse.
- Tax Code, sec. 11.13(c) provides an additional \$10,000 school district property tax exemption for an adult who is disabled or is age 65 or older.
- Tax Code, sec. 11.26(i) entitles the surviving spouse of a person who is age 65 or older to continue to receive the exemption under sec. 11.13(c) if the spouse is age 55 or older and continues to live in the homestead.
- DIGEST:** HB 875 would amend Tax Code, sec. 11.26(i) to entitle the surviving

spouse of a person who received the exemption under sec. 11.13(c) to continue receiving it if the surviving spouse was age 55 or older and continued to live in the homestead, regardless of whether the deceased spouse originally received the exemption due to age or disability.

The bill would take effect January 1, 2014, contingent on voter approval of the constitutional amendment proposed by HJR 72 by P. King. It would apply only to taxes imposed for tax years beginning on or after that date. If voters did not approve HJR 72, HB 875 would have no effect.

**SUPPORTERS
SAY:**

HB 875, in conjunction with voter approval of HJR 72, would level the playing field for the surviving spouses of those who received the exemption under sec. 11.13(c) due to disability. Under current law, the exemption continues only for the surviving spouse of a person who originally qualified for the exemption due to age. Surviving spouses of those who qualified for the exemption due to disability are equally deserving, and HB 875, in conjunction with HJR 72, would see to it that their property tax bills did not rise upon the death of their disabled spouses.

**OPPONENTS
SAY:**

HB 875 would further erode funding to school districts, which rely on local property tax revenues, at a time when Texas public schools continue to be critically underfunded. It also would continue the unhealthy precedent of singling out a particular group for a tax exemption, which raises issues of uniformity in taxation and fairness, no matter how deserving the group in question.

NOTES:

HJR 72, proposing the constitutional amendment to accompany HB 875, was sent to House Calendars on May 2. HJR 72 has no Senate companion.