

SUBJECT: Authorizing a property tax exemption for adults with certain disabilities

COMMITTEE: Ways & Means — committee substitute recommended

VOTE: 11 ayes — Meyer, Thierry, Button, Craddick, Gervin-Hawkins, Hefner,  
Muñoz, Noble, Raymond, Shine, Turner

0 nays

WITNESSES: For — Anne Bramlett; Tom Forbes; Rebecca Holland (*Registered, but did not testify*: Omodele Ojomo, Autism Society of Texas; Dennis Borel, Coalition of Texans with Disabilities; John Kroll, HEART Program; Isabel Casas, Texas Council of Community Centers; Linda Litzinger, Texas Parent to Parent; Ashley Ford, The Arc of Texas; Linda Durnin)

Against — None

On — (*Registered, but did not testify*: Rick Parker, Comptroller of Public Accounts; Ray Head, TAPTP)

BACKGROUND: Tax Code sec. 11.13(b) specifies that an adult is entitled to exemption from taxation by a school district of \$40,000 of the appraised value of the adult's residence homestead, except that only \$5,000 of the exemption applies to an entity operating under certain former chapters of the Education Code.

DIGEST: CSHB 3640 would entitle exemption from taxation a portion of the appraised value of the real property a person owned that was the primary residence of an adult who had an intellectual or developmental disability and was related to the property owner or trustee of the property within the third degree of consanguinity. The exemption would not apply to the person's residence homestead property. The portion of the appraised value of real property authorized to be exempted would be equal to the amount of the exemption applied by Tax Code sec. 11.13(b).

The bill would add this exemption to the list of exemptions that, once

allowed, would not need to be claimed in subsequent years and would apply until the property changed ownership or the person's qualification for the exemption changed.

The bill would apply only to property taxes imposed for a tax year that began on or after the effective date.

The bill would take effect January 1, 2024, but only if the constitutional amendment proposed by this Legislature was approved by voters. If the constitutional amendment was not approved, the bill would have no effect.

**SUPPORTERS  
SAY:**

CSHB 3640, along with CSHJR 150, would help support developmentally and intellectually disabled adults that live in their own homes by allowing a property tax exemption when the home is owned by a family member that does not reside in the home. While most adults in Texas who own their own homes are eligible for a residence homestead tax exemption, concerns have been raised that adults with intellectual and developmental disabilities residing in their own homes cannot qualify for the exemption because having the home in their name would lead to the loss of essential federal and state benefits.

Family members supporting the desire of these individuals to be as independent as possible either have purchased a home for the family member with a disability or have gifted or willed the home to a family member on behalf of the individual with a disability. For family who own a home on behalf of a family member with intellectual or developmental disabilities, this is a second home which would not qualify for the homestead residence tax exemption.

Individuals with intellectual and developmental disabilities often need life-long support. Ensuring these individuals receive the care they deserve can be a significant financial hardship for families. This bill would provide an avenue of support to help reduce some of the financial obligations undertaken on behalf of a family member with a disability.

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CRITICS  
SAY:

No concerns identified.

NOTES:

The constitutional amendment authorizing CSHB 3640 is CSHJR 150, which also is on the daily House calendar for second reading consideration today.