

BILL ANALYSIS

Senate Research Center
77R3039 SMH-D

H.B. 887
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Intergovernmental Relations
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Engrossed

DIGEST AND PURPOSE

Under current law, an individual is eligible for a residence homestead tax exemption the year the individual turns 65. This exemption merely freezes the tax rate so as not to exceed that fixed rate and if the rate decreases in later years, the exemption would reflect that new decrease. However, many individuals 65 years of age and older are not aware that they qualify for this homestead tax exemption. Having an applicant include their date of birth on an application for a homestead tax exemption from a county or a school district would provide the chief appraiser with the information necessary to notify these individuals when they become eligible for the exemption based on their age or disability. H.B. 887 provides that an application for a residence homestead tax exemption from a county or a school district must include a space for the applicant's date of birth and requires the chief appraiser to mail to an individual an application for a homestead tax exemption based on age or disability in the year that the individual becomes eligible.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 11.43, Tax Code, by adding Subsections (l) and (m), as follows:

(l) Requires an application form for an exemption under Section 11.13 to include a space on which the applicant may indicate the applicant's date of birth, even if the applicant's age is not required to determine the applicant's eligibility for the exemption.

(m) Provides that if a person receiving an exemption under Section 11.13(a) or (b) attains the age of 65 according to the person's date of birth as stated on the person's application for the exemption, the chief appraiser, not later than December 31 of the tax year in which the person attains that age, is required to mail to the person an application for an exemption under Section 11.13(c) or (d) for a person who is 65 years of age or older. Provides that this subsection applies only to a person who applied for the exemption under Section 11.13(a) or (b) on or after September 1, 2001, and who stated the person's date of birth on that application.

SECTION 2. Effective date: September 1, 2001.