

## **BILL ANALYSIS**

Senate Research Center  
79S10229 JD-D

S.J.R. 8  
By: Barrientos  
Finance  
7/12/2005  
As Filed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Increasing the homestead exemption is consistent with the will of the 75th Legislature, Regular Session, 1997, and more recently, during the 78th Legislature, 4th Called Session, 2003, when the House voted in favor of an increase in the exemption.

S.J.R. 8, in conjunction with S.B. 43, increases the homestead exemption for school districts from \$15,000 to \$30,000 to spread property tax reductions amongst owners of moderately priced homes.

### **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 1-b, Article VIII, Texas Constitution, by amending Subsections (c) and (d), and adding Subsection (h-1), as follows:

(c) Provides that \$30,000, rather than \$15,000, of the market value of the residence homestead of a married or unmarried adult, including one living alone, is exempt from ad valorem taxation for general elementary and secondary purposes. Makes nonsubstantive changes.

(d) Requires the legislature to reduce the amount of the limitation for the 2006, rather than 1997, tax year and subsequent years in an amount equal to \$15,000, rather than \$10,000, multiplied by the 2006 tax rate for general elementary and secondary school purposes applicable to the residence homestead, for a residence homestead subject to the limitation provided by this subsection in the 2005, rather than 1996, tax year or an earlier tax year.

(h-1) TEMPORARY PROVISION. (a) Provides that this temporary provision applies to the constitutional amendment proposed by the 79th Legislature, 1st Called Session, 2005, increasing the amount of the residence homestead exemption from ad valorem taxation for public school purposes and providing for a corresponding adjustment of the limitation on the amount of ad valorem taxes that may be imposed for those purposes on the homesteads of certain persons and expires January 1, 2007.

(b) Makes application of Section 1-b(c), Article VIII, prospective to January 1, 2006.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held on November 8, 2005. Requires the ballot to be printed to permit voting for or against the proposition, and sets forth the specific language of the proposition.