

BILL ANALYSIS

Senate Research Center
82R477 JE-D

S.B. 201
By: Uresti, Van de Putte
Finance
3/17/2011
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 469, 81st Legislature, Regular Session, 2009, provided for property tax exemptions for 100 percent disabled veterans. Some appraisal districts misinterpreted the legislative intent such that if a disabled veteran sold his home, the exemption stayed with the home instead of following the veteran. S.B. 201 clarifies that the exemption should follow the veteran.

As proposed, S.B. 201 amends current law relating to the calculation of ad valorem taxes on the residence homestead of a 100 percent or totally disabled veteran for the tax year in which the veteran qualifies or ceases to qualify for an exemption from taxation of the homestead.

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 11.42(c), Tax Code, to add that an exemption authorized by Section 11.131 (Residence Homestead of 100 Percent or Totally Disabled Veteran), among other exemptions, is effective as of January 1 of the tax year in which the person qualifies for the exemption and applies to the entire tax year.

SECTION 2. Amends Section 26.10(b), Tax Code, as follows:

(b) Sets forth the methods by which the tax due against a former residence is calculated if the appraisal roll shows that a residence homestead exemption authorized by Section 11.13(c) (entitling an adult who is disabled or is 65 or older to a tax exemption by a school district) or (d) (entitling an individual who is disabled or is 65 or older to a tax exemption) or 11.131 applicable to a property on January 1 of a year terminated during the year and if the owner of the property qualifies a different property for one of those residence homestead exemptions during the same year. Deletes existing text relating to a residence homestead exemption for an individual 65 years of age or older or a residence homestead exemption for a disabled individual. Makes nonsubstantive changes.

SECTION 3. Amends Section 26.112, Tax Code, as follows:

Sec. 26.112. CALCULATION OF TAXES ON RESIDENCE HOMESTEAD OF ELDERLY OR DISABLED PERSON. (a) Adds that, except as provided by Section 26.10(b) (relating to the method by which tax due against a former residence homestead is calculated), if at any time during a tax year property is owned by an individual who qualifies for an exemption under Section 11.131, among other statutes, the amount of the tax due on the property for the tax year is calculated as if the individual qualified for the exemption on January 1 and continued to qualify for the exemption for the remainder of the tax year. Makes conforming and nonsubstantive changes.

(b) Makes conforming and nonsubstantive changes.

SECTION 4. Provides that this Act applies only to an ad valorem tax year that begins on or after the effective date of this Act.

SECTION 5. Effective date: January 1, 2012.