

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 516
By: Patrick, Carona
Finance
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, a disabled veteran who receives from the United States Department of Veterans Affairs or its successor 100 percent disability compensation due to a service-connected disability and a rating of 100 percent disabled or of individual unemployability is entitled to an exemption from taxation of the total appraised value of the veteran's residence homestead. In some instances, the spouses of disabled veterans forego career opportunities and many reduce their work hours thereby affecting their income and retirement.

C.S.S.B. 516 amends current law relating to the exemption from ad valorem taxation of all or part of the appraised value of the residence homestead of the surviving spouse of a 100 percent or totally disabled veteran.

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 11.131(a), Tax Code, by adding Subdivision (3) to define "surviving spouse."

SECTION 2. Amends Section 11.131, Tax Code, by adding Subsections (c) and (d), as follows:

(c) Entitles the surviving spouse of a disabled veteran who qualified for an exemption under Subsection (b) (relating to a taxation exemption for a 100 percent disabled veteran) when the disabled veteran died to an exemption from taxation of the total appraised value of the same property to which the disabled veteran's exemption applied if:

(1) the surviving spouse has not remarried since the death of the disabled veteran; and

(2) the property was the residence homestead of the surviving spouse when the disabled veteran died, and remains the residence homestead of the surviving spouse.

(d) Entitles a surviving spouse, if the surviving spouse who qualifies for an exemption under Subsection (c) subsequently qualifies a different property as the surviving spouse's residence homestead, to an exemption from taxation of the subsequently qualified homestead in an amount equal to the dollar amount of the exemption from taxation of the former homestead under Subsection (c) in the last year in which the surviving spouse received an exemption under that subsection for that homestead if the surviving spouse has not remarried since the death of the disabled veteran. Entitles the surviving spouse to receive from the chief appraiser of the appraisal district in which the former residence homestead was located a written certificate providing the information necessary to determine the amount of the exemption to which the surviving spouse is entitled on the subsequently qualified homestead.

SECTION 3. Amends Section 11.431(a), Tax Code, to require the chief appraiser to accept and approve or deny an application for a residence homestead exemption, including an exemption under Section 11.131 (Residence Homestead of 100 Percent or Totally Disabled Veteran) for the residence homestead of a disabled veteran or the surviving spouse of a disabled veteran, rather than including a disabled veteran residence homestead exemption, after the deadline for filing it has passed if it is filed not later than one year after the delinquency date for the taxes on the homestead.

SECTION 4. Provides that Section 11.131, Tax Code, as amended by this Act, applies only to a tax year beginning on or after January 1, 2012.

SECTION 5. Effective date: January 1, 2012, contingent upon passage of the constitutional amendment proposed by the 82nd Legislature, Regular Session, 2011, authorizing the legislature to provide for an exemption from ad valorem taxation of all or part of the market value of the residence homestead of the surviving spouse of a 100 percent or totally disabled veteran.