

## **BILL ANALYSIS**

Senate Research Center  
82R167 JD-D

S.J.R. 7  
By: Patrick, Carona  
Finance  
3/16/2011  
As Filed

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

S.J.R. 7 seeks to lower appraisal increases on homestead properties. The appraisal of homestead residential properties increase by as much as 10 percent every year in spite of decreasing market values. S.J.R. 7 lowers the appraisal increase cap on homestead residential property from 10 percent every year to five percent.

As proposed, S.J.R. 7 proposes a constitutional amendment to authorize the legislature to set a lower limit on the maximum appraised value of a residence homestead for ad valorem taxation.

### **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(i), Article VIII, Texas Constitution, as follows:

- (i) Authorizes the legislature, notwithstanding Subsections (a) and (b) of this section, by general law to limit the maximum appraised value of a residence homestead for ad valorem tax purposes in a tax year to the lesser of the most recent market value of the residence homestead as determined by the appraisal entity or 105 percent, rather than 110 percent, or a greater percentage, of the appraised value of the residence homestead for the preceding tax year.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 8, 2011. Sets forth the required language of the ballot.