

BILL ANALYSIS

Senate Research Center
86R4962 JES-D

S.J.R. 46
By: Seliger
Property Tax
4/22/2019
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.J.R. 46 is the constitutional amendment required with the passage of S.B. 1086, relating to a limitation on increases in the appraised value of real property for ad valorem tax purposes.

S.J.R. 46 proposes a constitutional amendment to authorize the legislature to limit the maximum appraised value of real property for ad valorem tax purposes.

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 by general law, notwithstanding Subsections (a) and (b) of this section, to limit the maximum appraised value of real property for ad valorem tax purposes in a tax year to the lesser of the most recent market value of the real property as determined by the appraisal entity or 105 percent, or a greater percentage, of the appraised value of the real property for the preceding tax year, rather than authorizing the legislature by general law, notwithstanding Subsections (a) and (b) of this section, 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 residence homestead as determined by the appraisal entity or 110 percent, or a greater percentage, of the appraised value of residence homestead for the preceding tax year. Provides that a limitation on appraised values authorized by this subsection:

(1) takes effect in the tax year following the first tax year in which the owner owns the property on January 1 or, if the property qualifies for an exemption as the residence homestead of the owner under Section 1-b of this article in the tax year in which the owner acquires the property, in the tax year following the tax year in which the owner acquires the property, rather than takes effect as to a residence homestead on the later of the effective date of the law imposing the limitation or January 1 of the tax year following the first tax year in which the owner qualifies the property for an exemption under Section 1-b of this article; and

(2) expires on January 1 of the tax year following the tax year in which the owner of the property when the limitation took effect ceases to own the property, except that the legislature by general law may provide for the limitation applicable to a residence homestead to continue during ownership of the property by the owner's spouse or surviving spouse, rather than expires on January 1 of the first tax year that neither the owner of the property when the limitation took effect nor the owner's spouse or surviving spouse qualifies for an exemption under Section 1-b of this article.

SECTION 2. Requires that the proposed constitutional amendment be submitted to the voters at an election to be held November 5, 2019. Sets forth the required language of the ballot.