

BILL ANALYSIS

Senate Research Center
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S.B. 435
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Intergovernmental Relations
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As Filed

DIGEST

Currently, Texas law requires the governing body of a political subdivision to decide by May 1 whether to exempt from ad valorem taxation a percentage of a market value of a residence homestead. For many of the governing bodies the result of the May 1 adoption requirement is that they make this decision before their fiscal year budgeting process begins. Moving the date for adopting an exemption to later in the year will allow governing bodies to consider more complete information when deciding whether to adopt an optional homestead exemption. This bill would move the date for adopting this exemption to July 1.

PURPOSE

As proposed, S.B. 435 establishes the deadline for the adoption of an optional exemption from ad valorem taxation on residence homesteads.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 11.13(n), Tax Code, to entitle a person a certain tax exemption regarding the value of the person's residence homestead, if that exemption is adopted by the governing body of the taxing unit before July 1, rather than May 1, in the manner provided by law for official action by the body.

SECTION 2. Amends Section 25.23(a), Tax Code, to require the chief appraiser to prepare supplemental appraisal records listing certain conditions, including property that qualifies for an exemption under Section 11.13(n) that was adopted by the governing body of a taxing unit after the date the appraisal records were submitted. Makes conforming and nonsubstantive changes.

SECTION 3. Emergency clause.
Effective date: upon passage.