

BILL ANALYSIS

Senate Research Center
78R1952 JD-D

H.B. 216
By: Hamric, et al (Van de Putte)
Finance
5/20/2003
Engrossed

DIGEST AND PURPOSE

Several provisions of the Tax Code provide benefits to over-65 and disabled homeowners occupying a home as their principal residence. Not all of the provisions apply to both over-65 and disabled homeowners.

Currently, homeowners qualify for the over-65 exemption for the entire year in which they reach the age of sixty-five. This is accomplished by making the exemption effective as of January 1st of the year in which the homeowner turns sixty-five.

Disabled homeowners do not qualify for the disabled exemption until January 1 of the year following the year in which they become disabled. H.B. 216 provides for disabled homeowners to receive their disability exemption effective January 1 of the year in which they qualify for the disability exemption.

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 delete existing text relating to an individual being 65 years of age or older as a qualification for an exemption authorized by Section 11.13(c) or (d) which is effective as of a certain date.

SECTION 2. Amends Section 11.43(k), Tax Code, to make a conforming and a nonsubstantive change.

SECTION 3. Amends Section 26.10(b), Tax Code, to provide that if the appraisal roll shows that a residence homestead exemption for an individual 65 years of age or older or a residence homestead exemption for a disabled individual applicable to a property on a certain date and if the owner qualifies a different property for one of those, residence homestead exemptions, rather than a residence homestead exemption, during the same year, the tax due against the former resident homestead is calculated by a certain equation.

SECTION 4. Amends Section 26.112, Tax Code, as follows:

Sec. 26.112. New heading: CALCULATION OF TAXES ON RESIDENCE
HOMESTEAD OF ELDERLY OR DISABLED PERSON. (a)-(b) Makes conforming
changes.

SECTION 5. Effective date: January 1, 2004.
Makes application of this Act prospective.