

BILL ANALYSIS

Senate Research Center
82R294 JE-D

S.J.R. 14
By: Van de Putte et al.
Finance
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.J.R. 14 proposes a constitutional amendment authorizing the transfer of the 100 percent property tax exemption for 100 percent disabled veterans established under H.B. 3613 enacted in the 81st Legislature, Regular Session, 2009, to the surviving spouse or children. This exemption from taxation of the total appraised value of the veteran's residence homestead is found in Section 11.131 (Residence Homestead of 100 Percent or Totally Disabled Veteran), Tax Code.

There is a precedent for the transfer of a tax exemption to the surviving spouse of a disabled veteran. As set forth in Section 11.22 (Disabled Veterans) of the Tax Code, a disabled veteran is entitled to an exemption from taxation of \$12,000 of the assessed value of a property that the veteran owns and designates as his or her ad valorem tax-exempt property. If this disabled veteran dies, the veteran's surviving spouse is entitled to an exemption from taxation of a portion of the assessed value of a property the spouse owns and designates as eligible for the exemption. In addition, there is a precedent for transfer to the child—if the spouse does not survive the veteran, the veteran's surviving children younger than 18 years of age are entitled to an exemption.

S.J.R. 14 will make surviving spouses of 100 percent disabled veterans eligible for an exemption of the total appraised value of the same property to which the 100 percent disabled veteran qualified if the spouse remains unmarried after the death of the disabled veteran, the property was the residence homestead of the surviving spouse when the disabled veteran died, and it remains the residence homestead of the surviving spouse. If a disabled veteran who qualifies for an exemption dies while unmarried, the owner of the property is entitled to an exemption from taxation of the total appraised value of the same property to which the disabled veteran's exemption applied if one or more of the disabled veteran's surviving children are younger than 18 years of age and unmarried, the property was the principal residence of one or more of the children described by the previous qualifier when the disabled veteran died, and the property remains the principal residence of one or more of those children who are younger than 18 years of age and unmarried.

The passage last session of the enabling legislation that established the 100 percent property tax exemption for 100 percent disabled veterans was a bipartisan effort by the Texas Legislature that recognized the sacrifice of those wounded in the line of duty. This legislation is a continuation of that recognition, and extends the exemption to the spouse or the child(ren) who shared in that sacrifice by providing care for their husband, wife, father, or mother who became 100 percent disabled in the line of duty to this country.

The enabling legislation for this resolution is S.B. 357.

As proposed, S.J.R. 14 proposes a constitutional amendment authorizing an exemption from ad valorem taxation of the residence homestead of the surviving spouse of a totally disabled veteran or the principal residence of the surviving minor children of such a 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 1-b, Article VIII, Texas Constitution, by adding Subsections (j) and (k), as follows:

(j) Authorizes the legislature by general law to provide that the surviving spouse of a 100 percent or totally disabled veteran who received an exemption under Subsection (i) (relating to authorizing the legislature to exempt from ad valorem taxation all or part of the market value of the residence homestead of a disabled veteran who meets certain requirements) of this section is entitled to an exemption for the same property in an amount equal to the amount of the exemption received by the disabled veteran if the property:

(1) was the residence homestead of the surviving spouse when the disabled veteran died; and

(2) remains the residence homestead of the surviving spouse.

(k) Authorizes the legislature by general law to provide that if a 100 percent or totally disabled veteran who received an exemption under Subsection (i) of this section dies, the owner of the property is entitled to an exemption for the property in an amount equal to the amount of the exemption received by the disabled veteran if the property:

(1) was the principal residence of the disabled veteran's surviving minor children when the disabled veteran died; and

(2) remains the principal residence of the surviving minor children.

SECTION 2. Adds the following temporary provision to the Texas Constitution:

TEMPORARY PROVISION. (a) Provides that this temporary provision applies to the constitutional amendment proposed by the 82nd Legislature, Regular Session, 2011, authorizing the legislature to provide for the exemption from ad valorem taxation of the residence homestead of the surviving spouse of a 100 percent or totally disabled veteran or the principal residence of the surviving minor children of such a disabled veteran in an amount equal to the amount of the residence homestead exemption to which the disabled veteran was entitled on the same property.

(b) Makes application of Sections 1-b(j) and (k), Article VIII, of this constitution prospective to January 1, 2012.

(c) Provides that this temporary provision expires January 1, 2013.

SECTION 3. 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.