

1 AN ACT

2 relating to the determination of the market value of a residence
3 homestead for ad valorem tax purposes on the basis of the property's
4 value as a residence homestead and to an exemption from ad valorem
5 taxation of the residence homesteads of certain totally disabled
6 veterans and to the amount of the exemption from ad valorem taxation
7 to which a disabled veteran is entitled based on disability rating.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

9 SECTION 1. (a) Subchapter B, Chapter 11, Tax Code, is
10 amended by adding Section 11.131 to read as follows:

11 Sec. 11.131. RESIDENCE HOMESTEAD OF 100 PERCENT OR TOTALLY
12 DISABLED VETERAN. (a) In this section:

13 (1) "Disabled veteran" has the meaning assigned by
14 Section 11.22.

15 (2) "Residence homestead" has the meaning assigned by
16 Section 11.13.

17 (b) A disabled veteran who receives from the United States
18 Department of Veterans Affairs or its successor 100 percent
19 disability compensation due to a service-connected disability and a
20 rating of 100 percent disabled or of individual unemployability is
21 entitled to an exemption from taxation of the total appraised value
22 of the veteran's residence homestead.

23 (b) Subsection (a), Section 11.22, Tax Code, is amended to
24 read as follows:

1 (a) A disabled veteran is entitled to an exemption from
 2 taxation of a portion of the assessed value of a property the
 3 veteran owns and designates as provided by Subsection (f) [~~of this~~
 4 ~~section~~] in accordance with the following schedule:

5 an exemption of	for a disability rating of	
6 up to:	at least:	but <u>less</u> [not greater] than:
7 \$5,000 of the	10%	30%
8 assessed value		
9 7,500	<u>30</u> [31]	50
10 10,000	<u>50</u> [51]	70
11 12,000	<u>70</u> [71] and over	

12 (c) Subsection (c), Section 11.43, Tax Code, is amended to
 13 read as follows:

14 (c) An exemption provided by Section 11.13, 11.131, 11.17,
 15 11.18, 11.182, 11.183, 11.19, 11.20, 11.21, 11.22, 11.23(h), (j),
 16 or (j-1), 11.29, 11.30, or 11.31, once allowed, need not be claimed
 17 in subsequent years, and except as otherwise provided by Subsection
 18 (e), the exemption applies to the property until it changes
 19 ownership or the person's qualification for the exemption changes.
 20 However, the chief appraiser may require a person allowed one of the
 21 exemptions in a prior year to file a new application to confirm the
 22 person's current qualification for the exemption by delivering a
 23 written notice that a new application is required, accompanied by
 24 an appropriate application form, to the person previously allowed
 25 the exemption.

26 (d) Subsection (a), Section 11.431, Tax Code, is amended to
 27 read as follows:

1 (a) The chief appraiser shall accept and approve or deny an
2 application for a residence homestead exemption, including a
3 disabled veteran residence homestead exemption, after the deadline
4 for filing it has passed if it is filed not later than one year after
5 the delinquency date for the taxes on the homestead.

6 (e) Section 403.302, Government Code, is amended by adding
7 Subsection (d-1) to read as follows:

8 (d-1) For purposes of Subsection (d), a residence homestead
9 that receives an exemption under Section 11.131, Tax Code, in the
10 year that is the subject of the study is not considered to be
11 taxable property.

12 (f) Section 11.131, Tax Code, as added by this Act, applies
13 to a tax year beginning on or after January 1, 2009.

14 (g) Notwithstanding any other provision of this Act, this
15 section takes effect immediately if this Act receives a vote of
16 two-thirds of all the members elected to each house, as provided by
17 Section 39, Article III, Texas Constitution. If this Act does not
18 receive the vote necessary for immediate effect, this section takes
19 effect September 1, 2009.

20 SECTION 2. Section 23.01, Tax Code, is amended by adding
21 Subsection (c) to read as follows:

22 (c) The market value of a residence homestead shall be
23 determined solely on the basis of the property's value as a
24 residence homestead, regardless of whether the residential use of
25 the property by the owner is considered to be the highest and best
26 use of the property.

27 SECTION 3. This Act takes effect only if the constitutional

1 amendment proposed by the 81st Legislature, Regular Session, 2009,
2 authorizing the legislature to provide for the ad valorem taxation
3 of a residence homestead solely on the basis of the property's value
4 as a residence homestead is approved by the voters. If that
5 amendment is not approved by the voters, this Act has no effect.

6 SECTION 4. This Act applies only to an ad valorem tax year
7 that begins on or after the effective date of this Act.

8 SECTION 5. This Act takes effect January 1, 2010.

David Newkurt

President of the Senate

Jon Stroman

Speaker of the House

I certify that H.B. No. 3613 was passed by the House on April 28, 2009, by the following vote: Yeas 142, Nays 0, 1 present, not voting; that the House concurred in Senate amendments to H.B. No. 3613 on May 27, 2009, by the following vote: Yeas 146, Nays 0, 1 present, not voting; and that the House adopted H.C.R. No. 280 authorizing certain corrections in H.B. No. 3613 on June 1, 2009, by the following vote: Yeas 142, Nays 0, 1 present, not voting.

Robert Haney

Chief Clerk of the House

I certify that H.B. No. 3613 was passed by the Senate, with amendments, on May 25, 2009, by the following vote: Yeas 31, Nays 0; and that the Senate adopted H.C.R. No. 280 authorizing certain corrections in H.B. No. 3613 on June 1, 2009, by the following vote: Yeas 31, Nays 0.

Patsy Saw

Secretary of the Senate

APPROVED: 19 JUN '09

Date

Rick Perry

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
2 pm O'CLOCK
JUN 19 2009

Colby Hunter III