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

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. (a) Subchapter B, Chapter 11, Tax Code, is
amended by adding Section 11.131 to read as follows:
Sec. 11.131. RESIDENCE HOMESTEAD OF 100 PERCENT OR TOTALY
DISABLED VETERAN. (a) In this section:
(1) "Disabled veteran" has the meaning assigned by
Section 11.22.
(2) "Residence homestead" has the meaning assigned by
Section 11.13.
(b) A disabled veteran who receives from the United States
Department of Veterans Affairs or its successor 100 percent
disability compensation due to a service-connected disability and a
rating of 100 percent disabled or of individual unemployability is
entitled to an exemption from taxation of the total appraised value
of the veteran's residence homestead.
(b) Subsection (a), Section 11.22, Tax Code, is amended to
read as follows:
H.B. No. 3613

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

an exemption of for a disability rating of
up to: at least: but less [not greater] than:
$5,000 of the 10% 30% assessed value
7,500 30 [41] 50
10,000 50 [44] 70
12,000 70 [74] and over

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

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

(d) Subsection (a), Section 11.431, Tax Code, is amended to read as follows:
(a) The chief appraiser shall accept and approve or deny an application for a residence homestead exemption, including a disabled veteran residence homestead exemption, after the deadline for filing it has passed if it is filed not later than one year after the delinquency date for the taxes on the homestead.

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

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

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

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

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

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

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

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

SECTION 5. This Act takes effect January 1, 2010.
H.B. No. 3613

David Sw COLUMN 1
President of the Senate

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 Ham];
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.

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

Coley Shuler