

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 15, 2013

TO: Honorable Tommy Williams, Chair, Senate Committee on Finance

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HJR24 by Perry (Proposing a constitutional amendment authorizing the legislature to provide for an exemption from ad valorem taxation of part of the market value of the residence homestead of a partially disabled veteran or the surviving spouse of a partially disabled veteran if the residence homestead was donated to the disabled veteran by a charitable organization.), **As Engrossed**

No fiscal implication to the State is anticipated resulting from adoption of the proposed constitutional amendment alone, other than the cost of publication. Any fiscal impact would depend on the corresponding enabling legislation.

The cost to the state for publication of the resolution is \$108,921.

The resolution would propose a constitutional amendment to Section 1-b, Article VIII, of the Texas Constitution, to authorize the legislature to provide a residence homestead property tax exemption equal to a partially disabled veteran's disability rating if the homestead was donated to the disabled veteran by a charitable organization at no cost to the disabled veteran. The legislature would be authorized to impose additional eligibility requirements for the exemption.

The resolution would authorize the legislature to extend a proportionate exemption to the surviving spouse of a disabled veteran who died after qualifying for the exemption if the surviving spouse has not remarried, the property was the homestead of the surviving spouse when the disabled veteran died, and remains the residence homestead of the surviving spouse. The exemption to a qualified surviving spouse on a subsequent homestead would be the same portion of exempt market value as on the original qualified homestead. The resolution would define "partially disabled veteran" and make a conforming change.

Adoption of the proposed constitutional amendment alone would have no fiscal impact on the state or units of local government. Any fiscal impact would depend on the corresponding enabling legislation.

The proposed amendment would be submitted to voters at an election to be held November 5, 2013.

Local Government Impact

Adoption of the proposed constitutional amendment alone would have no fiscal impact on units of local government. Any fiscal impact would depend on the corresponding enabling legislation.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD, SJS