

1-1 By: Watson S.B. No. 279  
 1-2 (In the Senate - Filed January 7, 2015; January 28, 2015,  
 1-3 read first time and referred to Committee on Finance;  
 1-4 April 27, 2015, reported adversely, with favorable Committee  
 1-5 Substitute by the following vote: Yeas 12, Nays 0; April 27, 2015,  
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

|      | Yea | Nay | Absent | PNV |
|------|-----|-----|--------|-----|
| 1-8  | X   |     |        |     |
| 1-9  | X   |     |        |     |
| 1-10 | X   |     |        |     |
| 1-11 | X   |     |        |     |
| 1-12 |     |     | X      |     |
| 1-13 | X   |     |        |     |
| 1-14 | X   |     |        |     |
| 1-15 | X   |     |        |     |
| 1-16 | X   |     |        |     |
| 1-17 | X   |     |        |     |
| 1-18 |     |     | X      |     |
| 1-19 | X   |     |        |     |
| 1-20 | X   |     |        |     |
| 1-21 | X   |     |        |     |
| 1-22 | X   |     |        |     |
| 1-23 |     |     | X      |     |

1-24 COMMITTEE SUBSTITUTE FOR S.B. No. 279 By: Watson

1-25 A BILL TO BE ENTITLED  
 1-26 AN ACT

1-27 relating to the authority of the governing body of a taxing unit  
 1-28 other than a school district to adopt an exemption from ad valorem  
 1-29 taxation of a portion, expressed as a dollar amount, of the  
 1-30 appraised value of an individual's residence homestead.

1-31 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-32 SECTION 1. Section 11.13, Tax Code, is amended by amending  
 1-33 Subsection (i) and adding Subsections (s), (t), and (u) to read as  
 1-34 follows:

1-35 (i) The assessor and collector for a taxing unit may  
 1-36 disregard the exemptions authorized by Subsection (b), (c), (d),  
 1-37 ~~or~~ (n), or (s) ~~[of this section]~~ and assess and collect a tax  
 1-38 pledged for payment of debt without deducting the amount of the  
 1-39 exemption if:

1-40 (1) prior to adoption of the exemption, the unit  
 1-41 pledged the taxes for the payment of a debt; and

1-42 (2) granting the exemption would impair the obligation  
 1-43 of the contract creating the debt.

1-44 (s) In addition to any other exemptions provided by this  
 1-45 section, an individual is entitled to an exemption from taxation by  
 1-46 a taxing unit other than a school district of a portion of the  
 1-47 appraised value of the individual's residence homestead if the  
 1-48 exemption is adopted by the governing body of the taxing unit before  
 1-49 July 1 in the manner provided by law for official action by the  
 1-50 body. The amount of the exemption is \$5,000 of the appraised value  
 1-51 of the residence homestead unless a larger amount is specified by  
 1-52 the governing body authorizing the exemption.

1-53 (t) This subsection applies only to a taxing unit to which  
 1-54 Subsection (s) applies the governing body of which has not adopted  
 1-55 an exemption under Subsection (n). An individual is entitled to an  
 1-56 exemption from taxation by the taxing unit under Subsection (s) as  
 1-57 if the exemption were adopted by the governing body under that  
 1-58 subsection unless before July 1 the governing body in the manner  
 1-59 provided by law for official action by the body elects not to adopt  
 1-60 an exemption under that subsection. The amount of the exemption is

2-1 \$5,000 of the appraised value of the individual's residence  
2-2 homestead unless the governing body authorizes an exemption in a  
2-3 larger amount as provided by Subsection (s).

2-4 (u) This subsection applies only to a taxing unit the  
2-5 governing body of which has ceased granting an exemption under  
2-6 Subsection (n) and has adopted an exemption under Subsection (s).  
2-7 An individual who would have been entitled to an exemption from  
2-8 taxation by the taxing unit under Subsection (n) had the governing  
2-9 body not ceased granting an exemption under that subsection is  
2-10 entitled to continue to receive an exemption under that subsection  
2-11 in lieu of the exemption under Subsection (s) if the individual  
2-12 otherwise qualifies for the exemption under Subsection (n) and the  
2-13 amount of the exemption under that subsection as calculated under  
2-14 this subsection exceeds the amount of the exemption under  
2-15 Subsection (s). The exemption applies only to property for which  
2-16 the individual received an exemption under Subsection (n) in the  
2-17 last year in which the governing body granted an exemption under  
2-18 that subsection. Notwithstanding Subsection (n), the amount of the  
2-19 exemption is the dollar amount of the exemption that the individual  
2-20 received under that subsection in the last tax year in which the  
2-21 governing body granted an exemption under that subsection.

2-22 SECTION 2. Section 25.23(a), Tax Code, is amended to read as  
2-23 follows:

2-24 (a) After submission of appraisal records, the chief  
2-25 appraiser shall prepare supplemental appraisal records listing:

2-26 (1) each taxable property the chief appraiser  
2-27 discovers that is not included in the records already submitted,  
2-28 including property that was omitted from an appraisal roll in a  
2-29 prior tax year;

2-30 (2) property on which the appraisal review board has  
2-31 not determined a protest at the time of its approval of the  
2-32 appraisal records; and

2-33 (3) property that qualifies for an exemption under  
2-34 Section 11.13(n) or (s) that was adopted by the governing body of a  
2-35 taxing unit after the date the appraisal records were submitted.

2-36 SECTION 3. This Act applies only to ad valorem taxes imposed  
2-37 for a tax year that begins on or after the effective date of this  
2-38 Act.

2-39 SECTION 4. This Act takes effect January 1, 2016, but only  
2-40 if the constitutional amendment proposed by the 84th Legislature,  
2-41 Regular Session, 2015, authorizing the governing body of a  
2-42 political subdivision other than a school district to adopt an  
2-43 exemption from ad valorem taxation of a portion, expressed as a  
2-44 dollar amount, of the market value of an individual's residence  
2-45 homestead is approved by the voters. If that amendment is not  
2-46 approved by the voters, this Act has no effect.

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