

- SUBJECT:** Homestead exemption for partially donated homes of disabled veterans
- COMMITTEE:** Ways and Means — favorable, without amendment
- VOTE:** 9 ayes — D. Bonnen, Y. Davis, Bohac, Darby, E. Johnson, Murr, Raymond, Shine, Stephenson
- 0 nays
- 2 absent — Murphy, Springer
- WITNESSES:** For — Kelly Raley, Helping A Hero; (*Registered, but did not testify:* Scott Norman, Texas Association of Builders; Julia Parenteau, Texas Association of Realtors; Thomas Parkinson)
- Against — None
- On — Mike Esparza, Comptroller of Public Accounts
- BACKGROUND:** Texas Constitution, Art. 8, sec. 1-b(1) allows the Legislature to provide a partial homestead exemption for a partially disabled veteran equal to the percentage of the disability, if and only if that homestead was donated at no cost to the disabled veteran. Tax Code, sec. 11.132 creates this exemption.
- DIGEST:** HB 150 would, contingent on voter approval of a constitutional amendment, entitle a partially disabled veteran with a homestead that was donated at some cost to the veteran to a partial homestead exemption, whereas current law only permits such an exemption to be taken if the homestead was donated at no cost.
- This bill would allow such an exemption to be taken as long as the cost to the disabled veteran was no more than 50 percent of the home's market value.
- HB 150 would take effect January 1, 2018, and would apply only to

property taxes from a tax year that began on that date, but only if the constitutional amendment authorizing the property tax exemption for partially donated homes of disabled veterans was approved by voters. If the amendment were not approved by voters, this bill would have no effect.

**NOTES:**

HB 150 is the enabling legislation for HJR 21 by Bell, which is set for second-reading consideration on the May 8 Constitutional Amendments Calendar.

A companion bill, SB 240 by Creighton, was referred to the Senate Veterans Affairs and Border Security Committee on January 30.