

SUBJECT: Authorizing local option homestead exemptions for certain physicians

COMMITTEE: Ways & Means — favorable, without amendment

VOTE: 9 ayes — Meyer, Craddick, Gervin-Hawkins, Hefner, Muñoz, Noble, Raymond, Shine, Turner

0 nays

2 absent — Thierry, Button

WITNESSES: For — (*Registered, but did not testify*: Kevin Hale, Libertarian Party of Texas)

Against — (*Registered, but did not testify*: Susan Stewart)

On — (*Registered, but did not testify*: Allison Mansfield, Brad Reynolds, Comptroller of Public Accounts)

DIGEST: HB 596 would allow a county commissioner's court to exempt from county property taxation up to 50 percent of the assessed value of the residence homestead of certain licensed physicians. The exemption would apply to a licensed physician who provided health care services to qualifying county residents for which they did not seek payment from any source, including Medicaid or other state or federal program. Qualifying county residents would include residents who were indigent or Medicaid recipients.

A county that adopted the exemption would be required to specify the number of qualifying county residents to which a physician would be required to provide health care services during a tax year to qualify for the exemption. The number of qualifying residents served could be expressed as a percentage of a physician's total practice. HB 596 also would allow the chief appraiser in a county that adopted the exemption to require additional information from a physician to confirm eligibility.

The exemption would apply in addition to any other exemption, and the commissioners court could repeal the exemption in the manner provided by law.

The bill would apply only to property taxes imposed for a tax year that began on or after the effective date.

The bill would take effect January 1, 2024, but only if the constitutional amendment proposed by this Legislature was approved by voters. If the constitutional amendment were not approved, the bill would have no effect.

**SUPPORTERS  
SAY:**

HB 596 would allow counties to establish an incentive for physicians to provide indigent care in their communities. The bill would provide an optional tool for counties having difficulty recruiting doctors to serve residents most in need. Providing counties with this option could encourage more physicians in the community to provide indigent care. Physicians may also be interested in relocating to counties offering county property tax reductions, which could increase the number of physicians providing care to residents overall.

**CRITICS  
SAY:**

No concerns identified.

**NOTES:**

The constitutional amendment authorizing HB 596 is HJR 45, which also is on the daily House calendar for second reading consideration today.