

BILL ANALYSIS

Senate Research Center

H.B. 882
By: Horn (Nelson)
State Affairs
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Engrossed

DIGEST

Currently, a person may file a document with the county clerk's office or the appraisal district to officially designate a homestead for execution and taxation purposes. Confusion may exist to individuals and creditor organizations regarding these two homestead exemptions, because some entities may inform homeowners of the need to designate a homestead for execution purposes, and then offer to make this designation for the homeowner at an inflated price. This bill allows a person to make a designation of a homestead with an appraisal district for tax purposes sufficient for execution purposes.

PURPOSE

As proposed, H.B. 882 allows a person to make a designation of a homestead with an appraisal district for tax purposes sufficient for execution purposes.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 41.005, Property Code, as follows:

Sec. 41.005. VOLUNTARY DESIGNATION OF HOMESTEAD. Provides that to designate property as a homestead, a person is required to designate the property in an instrument that is signed and acknowledged or proved in the manner required for the recording of other instruments, except as provided by Subsection (e) or Subchapter B. Authorizes a person to change the boundaries of a homestead designated under Subsection (c), rather than this section, by executing and recording an instrument in the manner required for a voluntary designation under that subsection. Provides that property on which a person receives an exemption from taxation under Section 11.43, Tax Code, is considered to have been designated as the person's homestead for purposes of this subchapter if the property is listed as the person's residence homestead on the most recent appraisal roll for the appraisal district established for the county in which the property is located, except as otherwise provided by this subsection. Authorizes the designation of property under Subsection (c) or Subchapter (b) to prevail, as applicable, if a person designates property as a homestead under Subsection (c) or Subchapter B and a different property is considered to have been designated as the person's homestead under this subsection. Makes conforming and nonsubstantive changes.

SECTION 2. Effective date: September 1, 1997.

SECTION 3. Emergency clause.