

## **BILL ANALYSIS**

Senate Research Center  
80R11645 JPL-F

H.J.R. 54  
By: Hilderbran et al. (Williams)  
Finance  
5/14/2007  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

H.B. 809, 79th Legislature, Regular Session, 2005, clarified that rendition requirements enacted in the previous session did not impose a requirement on individuals to render their personal automobiles that are used both for personal and business purposes. A number of appraisal districts continue to tax mixed-use vehicles because the Texas Constitution does not specifically exempt business personal property from taxation. A recent attorney general opinion (GA-0484) stated while a person does not have to render a person automobile, the legislation did not establish that such property is exempt from taxation.

H.J.R. 54 proposes a constitutional amendment to exempt from ad valorem taxation one personally owned motor vehicle used both for personal and business purposes.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 1(d), Article VIII, Texas Constitution, as follows:

(d) Authorizes the legislature by general law to exempt from ad valorem taxation, among other things, one motor vehicle, as defined by general law, owned by an individual that is used in the course of the individual's occupation or profession and is also used for personal activities of the owner that do not involve the production of income.

SECTION 2. Amends the Texas Constitution to add a temporary provision, as follows:

TEMPORARY PROVISION. (a) Provides that this temporary provision applies to the constitutional amendment proposed by the 80th Legislature, Regular Session, 2007, authorizing the legislature to exempt from ad valorem taxation one motor vehicle owned by an individual and used in the course of the owner's occupation or profession and also for personal activities of the owner and expires January 1, 2009.

(b) Provides that the amendment to Section 1(d), Article VIII, of this constitution takes effect on the date of the official canvass of returns showing adoption of the amendment and applies beginning with the tax year that begins January 1, 2007. Authorizes the legislature to enact a general law authorized by the constitutional amendment that applies to the entire 2007 tax year, notwithstanding that the constitutional amendment was adopted after the beginning of that tax year, and a general law applicable to the entire 2007 tax year is not considered to be a retroactive law.

SECTION 3. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 6, 2007. Sets forth the required language for the ballot.