

BILL ANALYSIS

Senate Research Center
82R1601 SMH-D

S.B. 516
By: Patrick
Finance
3/16/2011
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, a disabled veteran who receives from the United States Department of Veterans Affairs or its successor 100 percent disability compensation due to a service-connected disability and a rating of 100 percent disabled or of individual unemployability is entitled to an exemption from taxation of the total appraised value of the veteran's residence homestead. In some instances, the spouses of disabled veterans forego career opportunities and many reduce their work hours thereby affecting their income and retirement.

S.B. 516 would grant this exemption to the surviving spouse of the 100 percent disabled veteran who qualified for the exemption. The surviving spouse will retain the exemption until the surviving spouse remarries.

As proposed, S.B. 516 amends current law relating to an exemption from ad valorem taxation of the residence homestead of the surviving spouse of a 100 percent or totally disabled veteran.

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 11.131, Tax Code, by adding Subsection (c), to entitle the surviving spouse of a disabled veteran who qualified for an exemption under Subsection (b) (relating to a taxation exemption for a 100 percent disabled veteran) when the disabled veteran died to an exemption from taxation of the total appraised value of the residence homestead of the surviving spouse if the surviving spouse has not remarried since the death of the disabled veteran.

SECTION 2. Amends Section 11.431(a), Tax Code, to require the chief appraiser to accept and approve or deny an application for a residence homestead exemption, including an exemption under Section 11.131 (Residence Homestead of 100 Percent or Totally Disabled Veteran) for the residence homestead of a disabled veteran or the surviving spouse of a disabled veteran, rather than including a disabled veteran residence homestead exemption, after the deadline for filing it has passed if it is filed not later than one year after the delinquency date for the taxes on the homestead.

SECTION 3. Provides that Section 11.131, Tax Code, as amended by this Act, applies only to a tax year beginning on or after January 1, 2012.

SECTION 4. Effective date: January 1, 2012, contingent upon passage of the constitutional amendment proposed by the 82nd Legislature, Regular Session, 2011, authorizing the legislature to provide for an exemption from ad valorem taxation of the residence homestead of the surviving spouse of a 100 percent or totally disabled veteran in an amount equal to the amount of the residence homestead exemption to which the disabled veteran was entitled.