



COMMISSIONERS COURT COMMUNICATION

REFERENCE NUMBER _____

PAGE 1 OF 2

DATE: 06/18/2024

SUBJECT: APPROVAL OF RESOLUTION INCREASING THE TARRANT COUNTY HOSPITAL DISTRICT HOMESTEAD EXEMPTION TO PROPERTY TAXES PURSUANT TO SECTION 11.13(N) OF THE TEXAS TAX CODE

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court approve a resolution establishing a Tarrant County Hospital District Homestead exemption to property taxes pursuant to section 11.13(n) of the Texas Tax Code for Tarrant County residence homesteads.

BACKGROUND

Texas Tax Code Section 11.13(n) permits a taxing unit to adopt an exemption from taxation of a percentage of the appraised value of an individual's residence homestead. The Tarrant County Hospital District was created in 1959 pursuant to Article IX, Section 4 of the Texas Constitution and former Article 4494n of the Texas Civil Statutes, which is now codified as Chapter 281 of the Texas Health and Safety Code. Texas Health & Safety Code Section 281.096(a)(1) states "[w]ith respect to the imposition or collection of an ad valorem tax imposed for the benefit of a hospital district, the commissioners court of the county in which the district is located has the authority" to "adopt an exemption, partial exemption, or other form of relief from ad valorem tax."

Tarrant County and the Tarrant County Hospital District are both taxing units as defined by Texas Tax Code Section 1.04(12) entitled to adopt an exemption under Texas Tax Code Section 11.13(n) which may not exceed twenty percent (20%).

On June 6, 2023, the Commissioners Court, through Court Order #140970, adopted a ten percent (10%) homestead exemption.

A taxing unit must decide before July 1, whether to offer an exemption and at what percentage.

If approved, the exemption will begin January 1, 2024, and remain in effect for every tax year thereafter, unless superseded by a subsequent action of this Commissioners Court.

FISCAL IMPACT

The fiscal impact for increasing the homestead exemption from ten percent (10%) to twenty percent (20%) is estimated to be \$26,000,000.00 to \$28,000,000.00 in savings to Tarrant County homeowners with a homestead exemption.

SUBMITTED BY:	Administrator's Office	PREPARED BY: APPROVED BY:	Russell Schaffner
---------------	------------------------	------------------------------	-------------------