

# PROPERTY TAX BILLS IN THE 2025 TEXAS LEGISLATURE 89<sup>th</sup> REGULAR SESSION

Last Updated: December 11, 2024

We are more than a month away from the beginning of the legislative session, but more than 2,000 bills have already been filed. Below are brief summaries of the bills that we think will be most interesting to our ARB clients. Of course, we will be happy to assist our clients who have questions about legislation.

## Exemptions

### H.B. 266

**Author: Flores**

**Amends/Enacts: §11.13 Tax Code; §403.302 Government Code**

**Status: Filed**

### H.J.R. 23

**Author: Flores**

**Amends/Enacts: Art. VIII, §1-b Texas Constitution**

**Status: Filed**

The trustees of a school district could adopt a percentage homestead exemption for the homes of certain full-time district employees. If adopted, the exemption would benefit teachers, counselors, librarians and school nurses. The exemption would have to be at least 20% of a homestead's appraised value. The exemption would be recognized by the comptroller in value studies.

### H.B. 378

**Author: Christina Morales**

**Amends/Enacts: §11.13 and 11.26 Tax Code; §§46.071, 48.2542, 48.2543, and 48.2556; Education Code; §403.302 Government Code**

**Status: Filed**

### H.J.R. 55

**Author: Christina Morales**

**Amends/Enacts: Art. VIII, §1-b Texas Constitution**

**Status: Filed**

The general school-tax homestead exemption would rise from \$100,000 to \$200,000. Homeowners with existing school-tax freezes would have them adjusted downward to reflect the increased exemption. The state would provide school districts with additional money to offset the loss of property-tax revenue.

### H.B. 382

**Author: Cecil Bell**

**Amends/Enacts: §§11.13, 11.42, 11.43, 26.10, 26.112, and 33.01 Tax Code; §44.004, 46.071, and 48.2543 Education Code; §403.302 Government Code**

**Status: Filed**

**H.J.R. 43**

**Author: Cecil Bell**

**Amends/Enacts: Art. VIII, §1-b Texas Constitution**

**Status: Filed**

This proposed constitutional amendment and related bill would totally exempt a homestead if the owner were 72 years old or older and had lived in the same homestead for at least ten years. If the homeowner died, his/her surviving spouse would inherit the exemption if the spouse were at least fifty-five.

**H.B. 399**

**Author: Bernal**

**Amends/Enacts: §11.144 Tax Code**

**Status: Filed**

**H.J.R. 66**

**Author: Bernal**

**Amends/Enacts: Art. VIII, §1 Texas Constitution**

**Status: Filed**

The bpp of a “small business” would be completely exempt for the first three years following the business’s incorporation. A “small business” as defined in the Government Code could have up to 99 employees. Some language in the bill indicates that the exemption would also apply to any person who owned bpp and rendered it, but other language indicates that the exemption would apply to an incorporated business only. The legislature would have the authority to contract or expand the three-year period in the future.

**H.B.998**

**Author: Toth**

**Amends/Enacts: §11.4385 Tax Code**

**Status: Filed**

A disabled veteran considering buying a home could apply to the appraisal district for a preliminary determination of whether the property would qualify for the 100% disabled veteran’s homestead exemption. The veteran’s request would include all the information that would be included in a regular application for the exemption. The district would have 30 days to respond to the request. The district’s preliminary determination would not require the district to grant the exemption if and when the veteran applied for it.

**H.B. 1367**

**Author: Vinton Jones**

**Amends/Enacts: §§11.13 and 25.23 Tax Code**

**Status: Filed**

**H.J.R. 96**

**Author: Vinton Jones**

**Amends/Enacts: Art. VIII, §1-b Texas Constitution**

**Status: Filed**

A county's commissioners could adopt a general homestead exemption in a fixed dollar amount up to \$100,000.

**S.B. 459**

**Author: Middleton**

**Amends/Enacts: §§6.24, 11.01, 11.015, 11.11, 11.14, 11.145, 11.15, 11.16, 11.161, 11.18, 11.182, 11.1827, 11.184, 11.185, 11.20, 1.201, 11.21, 11.23, 11.231, 11.25, 11.251, 11.252, 11.253, 11.254, 11.27, 11.271, 11.311, 11.315, 11.33, 11.35, 11.42, 11.43, 11.437, 11.4391, 21.06, 22.01, 21.02, 21.021, 21.03, 21.031, 21.04, 21.05, 21.055, 21.07, 21.09, 21.10, 22.01, 22.02, 22.04, 22.05, 22.07, 23.014, 23.12, 23.121, 23.1211, 23.122, 23.123, 23.124, 23.1241, 23.1242, 23.1243, 23.125, 23.126, 23.127, 23.128, 23.129, 23.24, 25.25, 26.012, 26.09, 31.032, 31.033, 31.06, 33.11, 41.413, 41.44, 41.47, 42.01, 42.03, 42.05, 42.21, 42.22, 312.0021, 312.007, 312.204, 312.210, 312.211, 312.402, Chapter 24, and Chapter 33, Subchapter B Tax Code; §71.041 Agriculture Code; §93.001 Business and Commerce Code; §89.003 Finance Code; §403.302 Government Code; §503.038 Transportation Code**

**Status: Filed**

**S.J.R. 25**

**Author: Middleton**

**Amends/Enacts: Art. VIII, §§1, 1-i, 1-j, 1-n, 1-p, 1-x, 8, 19 and 19a Texas Constitution**

**Status: Filed**

This proposed constitutional amendment and related bill would exempt all personal property.

## **Appraisals**

**H.B. 202**

**Author: Metcalf**

**Amends/Enacts: §§1.12, 25.19, 23.231, 41.41, and 42.26 Tax Code; §403.302 Government Code**

**Status: Filed**

**H.J.R. 26**

**Author: Metcalf**

**Amends/Enacts: Art. VIII, 1 Texas Constitution**

**Status: Filed**

The so-called circuit breaker law, which limits year-to-year increases in the values of non-homestead properties is set to expire at the end of 2026. This proposed constitutional amendment and related bill would extend it indefinitely.

**H.B. 273**

**Author: Metcalf**

**Amends/Enacts: §§1.12, 23.231, 23.232, 25.19, 41.41, and 42.26 Tax Code; §403.302 Government Code**

**Status: Filed**

**H.J.R. 32**

**Author: Metcalf**

**Amends/Enacts: Art. VIII, §1 Texas Constitution**

**Status: Filed**

This proposed constitutional amendment and related bill would place a 10% cap on year-to-year increases in the appraised value of a commercial property with a market value of \$10 million or less. The legislature would have the authority to expand the law to include more valuable commercial properties.

**H.B. 291**

**Author: Cecil Bell**

**Amends/Enacts: §§22.61, 22.62, 22.63, 22.64, 22.65, 23.013, and 41.43 Tax Code: §37.10**

**Penal Code**

**Status: Filed**

This bill would require the disclosure of sales prices of real property. Within ten days following the recording of a deed, the buyer would have to report the sales price to the appraisal district using a form set out in the bill. If the buyer failed to do so, the appraisal district could sue him/her, and the court could award the district its court costs and attorneys' fees. The bill also says that an appraisal district could not increase the value of the property solely on the basis of the information contained in the report. This bill is also discussed under the heading, *Appraisal Districts and ARBs*.

**H.B. 338**

**Author: Keith Bell**

**Amends/Enacts: §23.23 Tax Code**

**Status: Filed**

**H.J.R. 36**

**Author: Keith Bell**

**Amends/Enacts: Art. VIII, §1 Texas Constitution**

**Status: Filed**

Under this proposed constitutional amendment and related bill, the cap on year-to-year increases in the appraised values of residence homesteads would be reduced to 5% per year.

**H.B. 356**

**Author: Metcalf**

**Amends/Enacts: §23.23 Tax Code**

**Status: Filed**

**H.J.R. 39**

**Author: Metcalf**

**Amends/Enacts: Art. VIII, §1 Texas Constitution**

**Status: Filed**

Under this proposed constitutional amendment and related bill, the cap on year-to-year increases in the appraised values of residence homesteads would be reduced to 5% per year.

**H.B. 361**

**Author: Bernal**

**Amends/Enacts: 23.01**

**Status: Filed**

When determining the market value of a homestead, an appraisal district could consider only the value of other homesteads in the same neighborhood. Non-homestead properties could not be considered.

**H.B. 375**

**Author: Vasut**

**Amends/Enacts: §§1.12, 23.23, 23.231, 25.19, 41.41, and 42.26 Tax Code; §403.302**

**Government Code**

**Status: Filed**

**H.J.R. 45**

**Author: Vasut**

**Amends/Enacts: Art. VIII, §1 Texas Constitution**

**Status: Filed**

This proposed constitutional amendment and related bill would impose a 3.5% cap on year-to-year increases in the appraised values of all real properties. For non-homestead properties, the cap would first apply to a property in the year after the first year that the owner owned it on January 1. It would cease to apply in the first year following a change of ownership unless the new owner were the spouse of the former owner. For a property with multiple owners, a change in 50% or more of the ownership would end the cap. This cap would replace the so-called circuit breaker currently in place.

**H.B. 398**

**Author: Tepper**

**Amends/Enacts: §§1.12, 23.23, 23.231, 25.19, 41.41, and 42.26 Tax Code**

**Status: Filed**

**H.J.R. 56**

**Author: Tepper**

**Amends/Enacts: Arty. VIII, §1 Texas Constitution**

**Status: Filed**

The cap on the year-to-year increase in the value of a homestead would drop to 2.5%. The cap applicable to other real properties would drop to 8%.

**H.B. 442**

**Author: Cecil Bell**

**Amends/Enacts: §23.23 Tax Code**

**Status: Filed**

**H.J.R. 50**

**Author: Cecil Bell**

**Amends/Enacts: Art. VIII, §1 Texas Constitution**

**Status: Filed**

Under this proposed constitutional amendment and related bill, the cap on year-to-year increases in the appraised values of residence homesteads would be reduced to 5% per year.

**H.B. 490**

**Author: Cecil Bell**

**Amends/Enacts: §§1.12, 23.23, 23.231, 25.19, 41.41, and 42.26 Tax Code; §403.302**

**Government Code**

**Status: Filed**

**H.J.R. 53**

**Author: Cecil Bell**

**Amends/Enacts: Art. VIII, §1 Texas Constitution**

**Status: Filed**

Under this proposed constitutional amendment and related bill, the cap on year-to-year increases in the appraised values all real properties would be reduced to 5% per year.

**H.B. 963**

**Author: Toth**

**Amends/Enacts: §23.23 Tax Code**

**Status: Filed**

**H.J.R. 74**

**Author: Toth**

**Amends/Enacts: Art. VIII, §1 Texas Constitution**

**Status: Filed**

This proposed constitutional amendment and related bill would limit year-to-year changes in the appraised value of a residence homestead. If the owner acquired the homestead as a bona fide purchaser for value, the purchase price would establish the market value for the first year of the homestead exemption. The value in each subsequent year could change to “reflect any positive change from the preceding tax year in the purchasing power of the dollar for consumers in this state.” In other words, if prices went down and a consumer’s dollar would buy more, the appraisal district could change the value. The limitation would not expire until the property was no longer owned by a person qualifying for the exemption, or the spouse or surviving spouse of such a person. Nor would it expire if the property were inherited, as long as the heir who acquired the property qualified for a homestead exemption. An owner would have to apply to the chief appraiser for this limitation. The comptroller would determine the change in the purchasing power of the dollar each year.

**H.B. 1244**

**Author: Guillen**

**Amends/Enacts: §§23.54, and 23.541 Tax Code**

**Status: Filed**

If 1-d-1 land were transferred from one owner to another, the new owner would not need to file a new application if the land continued to be used in “materially the same way” by the same lessee. If the use continued but it was under the control of a different person, the new owner would need to file a new application, but the filing deadline would be the first anniversary of the change in ownership.

**H.B. 1430**

**Author: Metcalf**

**Amends/Enacts: §§1.12, 23.231, 23.232, 25.19, 41.41, and 42.26 Tax Code; §403.302**

**Government Code**

**Status: Filed**

**H.J.R. 101**

**Author: Metcalf**

**Amends/Enacts: Art, VIII, §1 Texas Constitution**

**Status: Filed**

This proposed constitutional amendment and related bill would replace the expiring “circuit-breaker” law with a similar cap on year-to-year increases in values. These proposals would place a 20% cap on an increase in the appraised value of a commercial real property with a market value of \$10 million or less. The legislature would have the authority to expand the law to include more valuable commercial properties. The new cap would not apply to property types like minerals, vacant land, or industrial property.

**H.B. 1533**

**Author: Button**

**Amends/Enacts: §§1.07, 1.111, 5.041, 6.35, 6.17, 25.02, 41.45, 41.47, 41.61, 41A.011, 41A.015, and 42.23 Tax Code**

**Status: Filed**

If an appraisal district retroactively appraised a property omitted in a prior year, the district would send the notice of appraised value by certified mail. This bill is also discussed under the headings, *Appraisal Districts and ARBs* and *Appeals*.

**S.B. 244**

**Author: Flores**

**Amends/Enacts: §23.23 Tax Code**

**Status: Filed**

**S.J.R. 15**

**Author: Flores**

**Amends/Enacts: Art. VIII, §1 Texas Constitution**

**Status: Filed**

This proposed constitutional amendment and related bill would severely limit year-to-year increases in the appraised value of a residence homestead. If the owner acquired the homestead as a bona fide purchaser for value, the purchase price would establish the market value for the first year of the homestead exemption. The value in each subsequent year could change only to reflect the value of new improvements. The limitation would not expire until the property was no longer owned by a person qualifying for the exemption, or the spouse or surviving spouse of such a person. Nor would it expire if the property were inherited, as long as the heir who acquired the property qualified for a homestead exemption. An owner would have to apply to the chief appraiser for this limitation.

**S.B. 320**

**Author: Creighton**

**Amends/Enacts: §23.23 Tax Code**  
**Status: Filed**

**S.J.R. 21**  
**Author: Creighton**  
**Amends/Enacts: Art. VIII, §1 Texas Constitution**  
**Status: Filed**

Under this proposed constitutional amendment and related bill, the cap on year-to-year increases in the appraised values of residence homesteads would be reduced to 5% per year. They are virtually identical to: H.B. 338 and H.J.R. 36; H.B. 356 and H.J.R. 39; and H.B. 442 and H.J.R. 50 discussed above.

**S.B. 321**  
**Author: Creighton**  
**Amends/Enacts: §23.23 Tax Code**  
**Status: Filed**

**S.J.R. 22**  
**Author: Creighton**  
**Amends/Enacts: Art. VIII, §1 Texas Constitution**  
**Status: Filed**

Under this proposed constitutional amendment and related bill, the cap on year-to-year increases in the appraised values of residence homesteads would be reduced to 5% per year. They are virtually identical to: H.B. 338 and H.J.R. 36; H.B. 356 and H.J.R. 39; H.B. 442 and H.J.R. 50; and S.B. 320 and S.J.R. 21 discussed above.

**S.B. 322**  
**Author: Kolkhorst**  
**Amends/Enacts: §§1.12, 23.231, 25.19, 41.41, and 42.26 Tax Code; §403.302 Government Code**  
**Status: Filed**

**S.J.R. 23**  
**Author: Kolkhorst**  
**Amends/Enacts: Art. VIII, §1 Texas Constitution**  
**Status: Filed**

This proposed constitutional amendment and related bill would make several changes to the existing "circuit-breaker" law. The limit on year-to-year value increases would drop from 20% to 10%. Minerals would no longer be covered. The law would be extended to run through 2031.

**S.B. 477**  
**Author: Middleton**  
**Amends/Enacts: §23.23 Tax Code**  
**Status: Filed**

**S.J.R.**  
**Author: Middleton**  
**Amends/Enacts: Art. VIII, §1 Texas Constitution**



**Status: Filed**

This bill would freeze the appraised value of residence homesteads at the market value of the property in the first year that the owner qualified the property for the exemption, or if the owner acquired the property as a bona fide purchaser for value, the purchase price. This limitation would take effect on January 1 of the first tax year the property qualified for a homestead exemption. It would not expire until the property was no longer owned by a person qualifying for the exemption, or the spouse or surviving spouse of such a person. Nor would it expire if the property were inherited, as long as the person who acquired the property qualified for a homestead exemption. An owner would have to apply to the chief appraiser for this limitation.

## **Appraisal Districts and ARBs**

**H.B. 192**

**Author: Cecil Bell**

**Amends/Enacts: §§1.15, 5.041, 5.042, 5.043, 6.035, 6.05, 6.0501, 6.052, 6.155, 6.41, 6.411, 22.28, 42.21 Tax Code; §172.024 Election Code; §87.041 Local Government Code; §1151.164 Occupations Code**

**Status: Filed**

Chief appraisers would be elected and would serve two-year terms beginning on January 1 of odd-numbered years. In order to serve as the chief appraiser in a county, a person would have to live in that county and would have to have lived there for four years.

**H.B. 291**

**Author: Cecil Bell**

**Amends/Enacts: §§22.61, 22.62, 22.63, 22.64, 22.65, 23.013, and 41.43 Tax Code: §37.10 Penal Code**

**Status: Filed**

A protesting property owner who had an appraisal of a residential real property could provide a copy to the appraisal district at least fourteen days before the ARB hearing. The appraisal would have to be at least 180 days old and performed by an appraiser certified by the TALCB. If the appraisal supported the property owner's opinion of value, the ARB would have to determine the protest in favor of the property owner and give the owner the value stated in the appraisal. This bill is also discussed under the heading, *Appraisals*.

**H.B. 329**

**Author: Cecil Bell**

**Amends/Enacts: § 41.43 Tax Code: §37.10 Penal Code**

**Status: Filed**

This bill duplicates part of H.B. 291. A protesting property owner who had an appraisal of a residential real property could provide a copy to the appraisal district at least fourteen days before the ARB hearing. The appraisal would have to be at least 180 days old and performed by an appraiser certified by the TALCB. If the appraisal supported the property owner's opinion of value, the ARB would have to determine the protest in favor of the property owner and give the owner the value stated in the appraisal.

**H.B. 360**

**Author: Vasut**

**Amends/Enacts: §25.25 Tax Code**

**Status: Filed**

If a homestead sold for a price 10% below its appraisal-roll value or less, the ARB could change that value for the year of the sale and for one of the two preceding years. The property owner or the chief appraiser could file a motion with the ARB requesting the change. The moving party would have to show the ARB that the sales price reflected the home's market value.

**H.B. 416**

**Author: Tepper**

**Amends/Enacts: §§26.01, 26.04, 26.05, 26.16, 31.01, 41.12, 41.44, and 41. Tax Code**

**Status: Filed**

This bill would make some parts of the property-tax calendar a little less hurried. A protesting property owner would have at least 60 days to file his/her protest after the delivery of the notice of appraised value. The ARB would have until August 20 to approve the appraisal records. The ARB would have to schedule its protest hearings within 60 days after approving the appraisal records. An appraisal district would have until August 25 to certify appraisal rolls to taxing units. An appraisal district would have until September 7 to publish the notice about the district's online database. This bill is also discussed under the heading, *Appraisal Districts and ARBs*.

**H.B. 1284**

**Author: Geren**

**Amends/Enacts: §§25.25 and 41.01 Tax Code**

**Status: Filed**

An ARB would have to hear and determine every timely filed protest or motion to correct an appraisal roll and issue an appealable order. The only exception involves a property owner who failed to make a required tax payment. This rule would conflict with other Tax Code provisions that deny hearings to property owners who don't show up for hearings or who have reached settlement agreements with the appraisal district.

**H.B. 1533**

**Author: Button**

**Amends/Enacts: §§1.07, 1.111, 5.041, 6.35, 6.17, 25.02, 41.45, 41.47, 41.61, 41A.011, 41A.015, and 42.23 Tax Code**

**Status: Filed**

An appraisal district in a with 120,000 people or more would have to have an Internet website. The district would have to post its appraisal records and update the posting weekly.

Under current law, an appraisal district that receives an electronic designation-of-agent form can request information including the IP address of the computer used to complete the form. This bill would prevent the district from requesting the IP address.

At least one trainer in each comptroller's ARB training course would have to be a taxpayer representative. That taxpayer representative would have to be a Texas resident and be a lawyer

with at least five years of experience. The person could not have ever represented or worked for an appraisal district, an ARB or a taxing unit.

Current law requires a property owner who wants a telephone hearing or a videoconference hearing to notify the ARB at least 10 days in advance. This bill would shorten that period to five days. An ARB that dismissed a hearing on jurisdictional grounds would have to make its decision by written order stating the grounds for its determination. An ARB considering issuing a subpoena would have to notify the parties at least 15 days before the good-cause hearing.

This bill is also discussed under the headings, *Appraisals* and *Appeals*.

## Appeals

**H.B. 1533**

**Author: Button**

**Amends/Enacts: §§1.07, 1.111, 5.041, 6.35, 6.17, 25.02, 41.45, 41.47, 41.61, 41A.011, 41A.015, and 42.23 Tax Code**

**Status: Filed**

A lessee entitled to protest or file an appeal in court would also have the right to appeal by binding arbitration.

In a limited binding arbitration, an arbitrator could direct an appraisal district or ARB to use values corrected by agreements or by ARB orders for protests in the context of unequal-appraisal hearings.

In a judicial appeal under Chapter 42, the court could not order discovery unless the discovery was requested by a party. The court could not accelerate any discovery deadlines related to expert witnesses.

This bill is also discussed under the headings, *Appraisals* and *Appraisal Districts and ARBs*.

## Miscellaneous

**H.B. 165**

**Author: Vasut**

**Amends/Enacts: The whole Property Tax Code**

**Status: Filed**

This bill would eliminate property taxes. A joint legislative committee would study alternatives.

**H.B. 698**

**Author: Harrison**

**Amends/Enacts: The whole Property Tax Code**

**Status: Filed**

**H.J.R. 64**

**Author: Harrison**

**Amends/Enacts: Art. VIII, §1 Texas Constitution**

This proposed constitutional amendment and related bill would eliminate property taxes. A joint legislative committee would study replacing property taxes with sales taxes.