

PROPERTY TAX BILLS IN THE 2025 TEXAS LEGISLATURE 89th REGULAR SESSION

Last Updated: May 28, 2025

The legislative session has just a few days go. Several bills have been passed and sent to the governor. Many bills have already died because they failed to meet crucial deadlines. Below are brief summaries of the active bills that we think will be most interesting to ARB members. Of course, we will be happy to assist our clients who have questions about legislation.

We use gold stars to mark the progress of a bill.

- ★ Bill has been reported out of committee in the house in which it was filed.
- ★★ Bill has been passed by the house in which it was filed.
- ★★★ Bill has been reported out of committee in the other house.
- ★★★★ Bill has been passed by both houses.
- ★★★★★ Bill has been signed by the governor and will take effect.

Any bill that does not have at least one star is a longshot, but it isn't dead yet.

BILLS THAT ARE STILL ALIVE

Exemptions

H.B. 9 ★★★★★

Author: Meyer

Amends/Enacts: §11.415, 22.01, and 22.24 Tax Code

Status: Passed by both houses; sent to governor

H.J.R. 1 ★★★★★

Author: Meyer

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

Status: Passed by both houses; election scheduled on November 4, 2025

The exemption for small amounts of bpp will rise from \$2,500 to \$125,000. That's \$125,000 per location. A lessor of bpp will be entitled to one \$125,000 exemption for all of its leased bpp in a taxing unit. A business that owns bpp at locations that it does not own or lease will be entitled to one \$125,000 exemption for all such bpp in a taxing unit. If two or more related businesses involved in a "unified business enterprise" own bpp at the same address, their bpp will be combined for purposes of the exemption. An appraisal district may investigate a business to determine whether the business is related to other businesses.

This bill is also discussed under the heading, *Appraisals*.

H.B. 2730 ★★★★★

Author: Darby

Amends/Enacts: §11.43 Tax Code

Status: Passed by both houses; sent to governor

An appraisal district could not require a homeowner receiving a homestead exemption for file a new application unless the district had “reason to believe the person no longer qualified for the exemption and the district had attempted to determine whether the person still qualified for the Exemption.” The bill suggests that a district attempting to determine whether a person still qualified could search the DPS’s driver’s license database. The district would have to send the person a notice stating the “specific reason for” requiring a new exemption application.

S.B. 4 ★★★★★

Author: Bettencourt

Amends/Enacts: §§11.13, 25.23, 26.01, 26.04, 26.08, 26.09, 26.15, 31.01, and 31.02 Tax Code; §§46.071, 48.2542, 48.2543, 48.2551, 48.283, 49.004, 49.0043, 49.0121, 49.154, and 49.308 Education Code

Status: Passed by Senate; Amended version passed by House; Senate will consider House version

S.J.R. 2 ★★★★★

Author: Bettencourt

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

Status: Passed by both houses; election set on November 4, 2025

This proposed constitutional amendment and related bill would raise the general school-tax homestead exemption from \$100,000 to \$140,000. The state would give school districts extra money to compensate them for the lost taxes. If enacted the increased exemption would apply in 2025. But that won’t be known until the November election. So, the assessment process would proceed on two tracks at once, one assuming that the exemption will increase and the other assuming that it will not.

The House version would increase the exemption to \$160,000.

S.B. 23 ★★★★★

Author: Bettencourt

Amends/Enacts: §§11.13, 26.01, 26.04, 26.08, 26.09, 26.15, 31.01, and 31.02 Tax Code; §§46.071, 48.2543, 48.2551, 49.004, 49.0044, 49.0122, 49.154, 49.308 Education Code

Status: Passed by Senate; amended version passed by House; Senate will consider House version

S.J.R. 85 ★★★★★

Author: Bettencourt

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

Status: Passed by both houses; election set on November 4, 2025.

The school-tax homestead exemption for people who are over 65 or disabled would increase from \$10,000 to \$60,000. The state would provide additional aid to school districts, primarily to help with their debts. The change would depend on an election in November. The 2025 assessment

process would be unusually complicated because no one would know for sure before the election whether the voters would approve the increased exemption.

S.B. 2521 ★★★★★

Author: Bettencourt

Amends/Enacts: §11.43 Tax Code; §193.003 Health and Safety Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

A local registrar (generally within a county clerk's office) would provide an appraisal district with an abstract of each death certificate filed with the registrar. The registrar would send those abstracts to the appraisal district monthly. The district would check to see whether any properties had ceased to qualify for homestead exemptions as a result of a property owner's death.

Appraisals

H.B. 9 ★★★★★

Author: Meyer

Amends/Enacts: §11.415, 22.01, and 22.24 Tax Code

Status: Passed by both houses; sent to governor

H.J.R. 1 ★★★★★

Author: Meyer

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

Status: Passed by both houses; election scheduled on November 4, 2025

This is the bill that exempts bpp up to \$125,000. A property owner will not have to render bpp if the owner believes that the property is not taxable in any taxing unit. The owner will have to file a statement or report certifying the owner's belief that its bpp is exempt. An appraisal district can require a rendition from such a property owner.

If two or more related businesses involved in a "unified business enterprise" own bpp at the same address, their renditions will have to reflect that fact. Each business's rendition will identify the bpp of its related businesses. The comptroller will create applicable forms.

This bill is also discussed under the heading, *Exemptions*.

H.B. 1533 ★★★★★

Author: Button

Amends/Enacts: §§1.07, 1.111, 5.041, 6.17, 25.01, 41.45, 41.47, 41.61, 41A.011, and 42.23 Tax Code

Status: Passed by both houses; sent to governor

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*.

H.B. 3370 ★★★★★

Author: Hefner

Amends/Enacts: §23.751 Tax Code

Status: Passed by both houses; sent to Governor

If the owner of 1-d-1 land died, the new owner would have an extended deadline for filing a new 1-d-1 application. A surviving spouse or child of the decedent, an executor of the decedent's estate, or a fiduciary acting for a surviving spouse or child could file the application any time before the taxes became delinquent for the year in question. No penalty would result from an application filed under these circumstances.

S.B. 1352 ★★★★★

Author: Adam Hinojosa

Amends/Enacts: §§11.43, 11.4391, 21.09, and 21.10 Tax Code

Status: Passed by both houses; sent to governor

If an appraisal district extended a property owner's deadline for filing a rendition to May 15, the district would also extend the owner's deadline for filing an application for interstate allocation of value. If a property owner showed good cause, the district could extend the deadline for another thirty days. If a property owner filed a late application for interstate allocation, the penalty would be the lesser of: 1) 10% of the taxes saved; or 2) 10% of the taxes after applying the interstate allocation. This bill is also discussed under the heading, *Exemptions*.

S.B. 2538 ★★★★★

Author: Bettencourt

Amends/Enacts: §25.18 Tax Code

Status: Passed by Senate; substitute passed by House Ways and Means Committee; pending in full House

A reappraisal plan adopted by an appraisal district's board of directors could not include a standard or timeline inconsistent with or not authorized by the Tax Code. The house version would prohibit a plan from including a standard or timeline that would prevent the appraisal office from appraising property at market value.

Appraisal Districts and ARBs

H.B. 148 ★★★★★

Author: Turner

Amends/Enacts: §§5.044 and 6.0302 Tax Code

Status: Passed by both houses; sent to governor

In appraisal districts with elected directors, every director will have to complete a training course provided by an accredited institution of higher education. A director will have to complete the course each year before the anniversary of the date on which he/she took office. The bill doesn't say how long the course should be. If, however, an appraisal district is involved in assessing and collecting taxes, its directors will need at least eight hours of training on those topics. Before seeking appointment or election to the board of directors, a person will have to sign a document acknowledging that he/she understands the board's duties.

H.B. 1533 ★★★★★

Author: Button

Amends/Enacts: §§1.07, 1.111, 5.041, 6.17, 25.01, 41.45, 41.47, 41.61, 41A.011, and 42.23

Tax Code

Status: Passed by both houses; sent to governor

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.

If the comptroller contracted with people to assist with ARB training classes, at least one trainer in each 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 lawyer could not have ever represented or worked for an appraisal district, an ARB or a taxing unit. Nor could he/she have ever served as an appraisal district director or as an ARB member. The comptroller could make an exception if he/she couldn't find someone satisfying all those requirements.

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 for a property owner not represented by an agent. An owner with an agent would still have to make the request 10 days before the hearing. An ARB that dismissed a hearing on jurisdictional grounds would have to notify the property owner and state 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*.

H.B. 3575 ★★★★★

Author: Noble

Amends/Enacts: §6.032 Tax Code; §252.005 Election Code

Status: Passed by both houses; sent to governor

Someone who wanted to run for a seat as an elected director on an appraisal district's board of directors would file his/her application with the county elections administrator if the county had such an officer. Otherwise, the candidate would file the application with the county clerk. The same would be true for the candidate's appointment of a campaign treasurer.

H.B. 4744 ★★

Author: Geren

Amends/Enacts: §6.05 Tax Code

Status: Passed by House; referred to Senate

An appraisal district's board of directors drawing up a reappraisal plan would have to do so according to the requirements of §23.01.

H.B. 4809 ★★★★★

Author: Meyer

Amends/Enacts: §11.24, 41.41 Tax Code

Status: Passed by both houses; sent to governor

This bill concerns properties that qualify for exemptions as historic sites under §11.24. The owner of such a property could protest the appraisal district's determination of: 1) the appraised value of a structure or archaeological site; 2) the appraised value of the land necessary to access the structure or site; and 3) the allocation of the appraised value between the structure or site and the land.

S.B. 973 ★★★★★

Author: Eckhardt

Amends/Enacts: §25.027 Tax Code

Status: Passed by Senate; Amended version passed by House; Senate will consider House version

Current law limits the kinds of images of residential property that an appraisal district can post on the Internet. This bill would loosen the restrictions and allow an appraisal district to post: 1) an aerial photo depicting more than one separately owned building; 2) a street level photograph of only the exterior of a building; or (3) a field record or overhead sketch of the property that depicts only the outline of one or more buildings, the general landscape features of the property, and/or the dimensions of or distances between the buildings and features.

S.B. 974 ★★★★★

Author: Eckhardt

Amends/Enacts: §6.412 Tax Code

Status: Passed by Senate; Passed by House Subcommittee on Property Tax Appraisals; pending in full House

A teacher in a public school would be eligible to serve on an ARB.

S.B. 1163 ★★★★★

Author: Hughes

Amends/Enacts: §41.45 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

Under current law a property who is not represented by an agent is entitled to one postponement of an ARB hearing just for the asking. This bill would extend that entitlement to agents. The bill also states that good cause for a postponement would include a claim "that the property owner or the owner's agent was unable to attend the scheduled hearing because the owner or agent was appearing before a different panel of the same appraisal review board at the time of the scheduled hearing."

S.B. 2063 ★★★★★

Author: Parker

Amends/Enacts: §§41.43 and 42.26 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

In the context of a hearing solely on an unequal-appraisal protest, an appraisal district could not present and an ARB could not consider the market value of the property as evidence. Market

values could still be considered if appraisal ratios were an issue. This bill is also discussed under the heading, *Appeals*.

S.B. 2073 ★★ ★

Author: Zaffirini

Amends/Enacts: §6.051 Tax Code

Status: Passed by Senate; passed by House Subcommittee on Property Tax Appraisals; pending in full House

This bill would make it clear that an appraisal district can finance its acquisition or construction of an office. The proposed acquisition or construction would still require the agreement of three-fourths of the voting taxing units served by the appraisal district. But if a unit failed to act timely on the matter, its inaction would be taken as a vote for the proposal.

S.B. 2452 ★★ ★

Author: Hancock

Amends/Enacts: §6.05 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

The Tax Code has long prohibited an appraisal district from paying its chief appraiser to increase values. This bill would make it clear that no part of a chief appraiser's compensation could be directly or indirectly linked to the expectation of an increase in values.

Appeals

H.B. 1533 ★★ ★★

Author: Button

Amends/Enacts: §§1.07, 1.111, 5.041, 6.17, 25.01, 41.45, 41.47, 41.61, 41A.011, and 42.23 Tax Code

Status: Passed by both houses; sent to governor

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

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*.

S.B. 2063 ★★ ★

Author: Parker

Amends/Enacts: §§41.43 and 42.26 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

In the context of a court appeal solely about an unequal-appraisal claim, an appraisal district could not present and a court not consider the market value of the property as evidence. Market

values could still be considered if appraisal ratios were an issue. This bill is also discussed under the heading, *Appraisal Districts and ARBs*.