

By: Toth

H.B. No. 998

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the authority of an individual, before purchasing real
3 property to be used as the individual's residence homestead, to
4 request from the chief appraiser of the applicable appraisal
5 district a preliminary determination of whether the property would
6 qualify for a disabled veteran exemption if purchased by the
7 individual and used for that purpose.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

9 SECTION 1. Subchapter C, Chapter 11, Tax Code, is amended by
10 adding Section 11.4385 to read as follows:

11 Sec. 11.4385. APPLICATION FOR EXEMPTION BY 100 PERCENT OR
12 TOTALLY DISABLED VETERAN. (a) In this section:

13 (1) "Disabled veteran" has the meaning assigned by
14 Section 11.22.

15 (2) "Mortgage company" has the meaning assigned by
16 Section 156.002, Finance Code.

17 (3) "Residence homestead" has the meaning assigned by
18 Section 11.13.

19 (4) "Title insurance company" has the meaning assigned
20 by Section 2501.003, Insurance Code.

21 (b) To facilitate the financing associated with the
22 purchase of real property to be used as the individual's residence
23 homestead, a disabled veteran, before purchasing the property, may
24 request from the chief appraiser of the appraisal district

1 established for the county in which the property is located a
2 preliminary determination of whether the property would qualify for
3 an exemption under Section 11.131 if purchased by the disabled
4 veteran and occupied by the disabled veteran as the disabled
5 veteran's primary residence. The request must include the
6 information that would be included in an application for an
7 exemption for the property under Section 11.131.

8 (c) Not later than the 30th day after the date a request is
9 submitted under this section, the chief appraiser shall issue a
10 written preliminary determination for the property included in the
11 request. A preliminary determination does not affect the granting
12 of an exemption under Section 11.131.

13 (d) A mortgage company or title insurance company that
14 receives from a purchaser of real property a written preliminary
15 determination issued under this section shall consider the effect
16 of the preliminary determination:

17 (1) in determining whether to extend credit to the
18 purchaser; and

19 (2) the amount due from the purchaser at closing.

20 SECTION 2. This Act takes effect September 1, 2025.