

By: Paxton, Blanco
Zaffirini

S.B. No. 467

A BILL TO BE ENTITLED

AN ACT

relating to a temporary exemption from ad valorem taxation of the appraised value of an improvement to a residence homestead that is completely destroyed by a fire.

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

SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.351 to read as follows:

Sec. 11.351. TEMPORARY EXEMPTION FOR IMPROVEMENT TO RESIDENCE HOMESTEAD DESTROYED BY FIRE. (a) In this section, "residence homestead" has the meaning assigned by Section 11.13.

(b) A person is entitled to an exemption from taxation by a taxing unit of the appraised value of an improvement to the person's residence homestead that is completely destroyed by a fire in an amount determined under Subsection (c). The person is entitled to the exemption only for the tax year in which the fire occurs.

(c) The amount of the exemption authorized by this section for an improvement to a residence homestead completely destroyed by a fire in a tax year is calculated by multiplying the appraised value of the improvement for that tax year by a fraction, the denominator of which is 365 and the numerator of which is the number of days remaining in the tax year after the date on which the fire occurs.

(d) A property owner must submit an application for an exemption authorized by this section to the chief appraiser of the

1 appraisal district in which the improvement that is the subject of
2 the application is located not later than the 180th day after the
3 date the fire occurs.

4 (e) On receipt of an application under Subsection (d), the
5 chief appraiser shall determine whether the improvement that is the
6 subject of the application was completely destroyed by a fire. In
7 determining whether an improvement is completely destroyed by a
8 fire, the chief appraiser may rely on information provided by any
9 other source the chief appraiser considers appropriate, including a
10 county fire marshal or an insurance adjuster.

11 (f) If a person qualifies for the exemption authorized by
12 this section after the amount of tax due on the property is
13 calculated and the effect of the qualification is to reduce the
14 amount of the tax due on the property, the assessor for each
15 applicable taxing unit shall recalculate the amount of the tax due
16 on the property and correct the tax roll. If the tax bill has been
17 mailed and the tax on the property has not been paid, the assessor
18 shall mail a corrected tax bill to the person in whose name the
19 property is listed on the tax roll or to the person's authorized
20 agent. If the tax on the property has been paid, the tax collector
21 for the taxing unit shall refund to the person who paid the tax the
22 amount by which the payment exceeded the tax due.

23 (g) The comptroller, in consultation with appraisal
24 districts, shall develop guidelines for determining whether an
25 improvement is completely destroyed by a fire.

26 SECTION 2. Not later than September 1, 2026, the
27 comptroller shall develop the guidelines required by Section

1 11.351, Tax Code, as added by this Act, and shall distribute those
2 guidelines to each appraisal district.

3 SECTION 3. The change in law made by this Act applies only
4 to an ad valorem tax year that begins on or after the effective date
5 of this Act.

6 SECTION 4. This Act takes effect January 1, 2026, but only
7 if the constitutional amendment proposed by the 89th Legislature,
8 Regular Session, 2025, to authorize the legislature to provide for
9 a temporary exemption from ad valorem taxation of the appraised
10 value of an improvement to a residence homestead that is completely
11 destroyed by a fire is approved by the voters. If that amendment is
12 not approved by the voters, this Act has no effect.