

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 in an amount determined under Subsection (d) of the appraised value of an improvement to the person's residence homestead that:

(1) is completely destroyed by a fire;

(2) is a habitable dwelling immediately before the date the fire occurs; and

(3) remains uninhabitable for at least 30 days after the date the fire occurs.

(c) A person is entitled to an exemption provided by this section only for the tax year in which the fire occurs.

(d) The amount of the exemption authorized by this section is calculated by multiplying the appraised value of the improvement for the tax year in which the fire occurs by a fraction, the

1 denominator of which is 365 and the numerator of which is the number
2 of days remaining in the tax year after the date on which the fire
3 occurs.

4 (e) A property owner must submit an application for an
5 exemption authorized by this section to the chief appraiser of the
6 appraisal district in which the improvement that is the subject of
7 the application is located not later than the 180th day after the
8 date the fire occurs.

9 (f) On receipt of an application under Subsection (e), the
10 chief appraiser shall determine whether the improvement that is the
11 subject of the application qualifies for the exemption authorized
12 by this section. In determining whether an improvement qualifies
13 for the exemption authorized by this section, the chief appraiser
14 may rely on information provided by any other source the chief
15 appraiser considers appropriate, including a county fire marshal or
16 an insurance adjuster.

17 (g) If a person becomes entitled to the exemption authorized
18 by this section after the amount of tax due on the property is
19 calculated and the effect of the qualification is to reduce the
20 amount of the tax due on the property, the assessor for each
21 applicable taxing unit shall recalculate the amount of the tax due
22 on the property and correct the tax roll. If the tax bill has been
23 mailed and the tax on the property has not been paid, the assessor
24 shall mail a corrected tax bill to the person in whose name the
25 property is listed on the tax roll or to the person's authorized
26 agent. If the tax on the property has been paid, the tax collector
27 for the taxing unit shall refund to the person who paid the tax the

1 amount by which the payment exceeded the tax due.

2 SECTION 2. The change in law made by this Act applies only
3 to an ad valorem tax year that begins on or after the effective date
4 of this Act.

5 SECTION 3. This Act takes effect January 1, 2026, but only
6 if the constitutional amendment proposed by the 89th Legislature,
7 Regular Session, 2025, to authorize the legislature to provide for
8 a temporary exemption from ad valorem taxation of the appraised
9 value of an improvement to a residence homestead that is completely
10 destroyed by a fire is approved by the voters. If that amendment is
11 not approved by the voters, this Act has no effect.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 467 passed the Senate on April 29, 2025, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 30, 2025, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 467 passed the House, with amendment, on May 27, 2025, by the following vote: Yeas 140, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor