

By: Bettencourt

S.B. No. 2520

A BILL TO BE ENTITLED

AN ACT

relating to the calculation of the limitation on the total amount of ad valorem taxes imposed by a school district on the residence homestead of an individual who is elderly or disabled.

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

SECTION 1. Section 11.26, Tax Code, is amended by adding Subsection (a-11) to read as follows:

(a-11) This subsection applies only in the tax year immediately following the first tax year an individual qualifies a residence homestead for an exemption under Section 11.13(c) after the beginning of that first tax year, provided that the homestead remains eligible for that same exemption in that following tax year. Notwithstanding Subsection (a-10), the amount of the limitation provided by this section on an individual's residence homestead for the tax year to which this section applies is equal to the lesser of:

(1) the amount of the limitation as computed under Subsection (a-10) for that tax year; or

(2) the amount of tax imposed by the school district on that residence homestead, calculated without regard to the limitation on tax increases provided by this section, in that tax year.

SECTION 2. This Act applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this Act.

1           SECTION 3.   This Act takes effect January 1, 2026.