

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 21, 2009

TO: Honorable Rene Oliveira, Chair, House Committee on Ways & Means

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1936 by Villarreal (Relating to the authority of the governing body of a municipality to exempt a portion of the value of a residence homestead from ad valorem taxation if the homestead meets certain energy efficiency standards.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 11 of the Tax Code to allow municipalities the discretion to exempt from ad valorem taxation a portion of the value of a residence homestead for meeting energy efficiency standards prescribed by the municipality. The governing body could set different standards for different years and limit the number of years for the exemption.

The bill would be contingent upon the adoption of a proposed amendment that would be submitted to voters at an election to be held November 3, 2009. If the voters approved the amendment, the bill would be effective January 1, 2010.

Local Government Impact

The fiscal impact to a municipality would vary depending on decisions made by the governing body and participation by residents.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, MN, DB