

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATURE 1st CALLED SESSION - 2017**

**July 24, 2017**

**TO:** Honorable Dennis Bonnen, Chair, House Committee on Ways & Means

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HJR33** by Metcalf (Proposing a constitutional amendment to authorize the legislature to establish a limit on the maximum appraised value of real property other than a residence homestead for ad valorem tax purposes.), **As Introduced**

**The resolution alone would have no fiscal implication to the State**, other than the cost of publication. Any additional fiscal implication would be attributable to the corresponding enabling legislation.

The cost to the State for publication of the resolution is \$114,369.

The resolution would propose an amendment to Section 1, Article VIII, Texas Constitution, to permit the Legislature by general law to limit the maximum appraised value of real property (other than residence homesteads) for property taxation purposes in a tax year to the lesser of the most recent market value or 105 percent, or a greater percentage, of the appraised value of the property for the preceding tax year.

The appraisal limitation would take effect for a parcel of real property on the later of the effective date of the law imposing the limitation or January 1 of the tax year following the first tax year in which the owner owns the property on January 1. The limitation expires on January 1 of the tax year following the tax year in which the owner of the property ceases to own the property.

Adoption of the proposed constitutional amendment alone would have no fiscal impact on the state or units of local government. Any fiscal impact would depend on the corresponding enabling legislation (HB 196).

The cost to the state for publication of the resolution is \$114,369. The proposed amendment would be submitted to voters at an election to be held November 7, 2017.

**Local Government Impact**

The proposed constitutional amendment alone would have no fiscal implication to units of local government. Any fiscal implication would be attributable to the corresponding enabling legislation.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** UP, KK, SJS

