

By: Bohac

H.B. No. 383

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the limitation on increases in the appraised value of a
3 residence homestead for ad valorem taxation.

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

5 SECTION 1. Section 23.23(a), Tax Code, is amended to read as
6 follows:

7 (a) Notwithstanding the requirements of Section 25.18 and
8 regardless of whether the appraisal office has appraised the
9 property and determined the market value of the property for the tax
10 year, an appraisal office may increase the appraised value of a
11 residence homestead for a tax year to an amount not to exceed the
12 lesser of:

13 (1) the market value of the property for the most
14 recent tax year that the market value was determined by the
15 appraisal office; or

16 (2) the sum of:

17 (A) five [~~10~~] percent of the appraised value of
18 the property for the preceding tax year;

19 (B) the appraised value of the property for the
20 preceding tax year; and

21 (C) the market value of all new improvements to
22 the property.

23 SECTION 2. This Act applies only to the appraisal for ad
24 valorem taxation of residence homesteads for a tax year that begins

1 on or after the effective date of this Act.

2 SECTION 3. This Act takes effect January 1, 2020, but only
3 if the constitutional amendment proposed by the 86th Legislature,
4 Regular Session, 2019, to authorize the legislature to set a lower
5 limit on the maximum appraised value of a residence homestead for ad
6 valorem taxation is approved by the voters. If that amendment is
7 not approved by the voters, this Act has no effect.