

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

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**  
**Revision 1**

**April 2, 2019**

**TO:** Honorable Dustin Burrows, Chair, House Committee on Ways & Means

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE:** **HB827** by Rose (Relating to the exemption from ad valorem taxation of an improvement that is necessary to support the continued use or existence of a historic site.), **As Introduced**

**No fiscal implication to the State is anticipated.**

The bill would amend Section 11.24 of the Tax Code, regarding property tax exemptions for historic sites, to allow the governing body of a taxing unit to exempt part or all of the assessed value of an improvement that is economically or physically necessary to support the continued use or existence of a structure or archeological site and necessary land for access and use of the improvement that is currently exempted under Section 11.24(a).

The fiscal impact of permitting a governing body of a taxing unit to exempt all or part of the assessed value of an improvement associated with a historic site and the land necessary for access to it from property taxation would depend on the decisions of each taxing unit to take official action. As a result, taxable property values and the related revenue for local taxing units that choose to exempt all or part of an improvement could be reduced. The value of property affected by the bill's provisions and future decisions of local taxing units is unknown; therefore, the cost to local taxing units cannot be estimated.

The bill would take effect January 1, 2020.

**Local Government Impact**

Passage of the bill would permit a governing body of a taxing unit to exempt all or part of the assessed value of an improvement associated with a historic site and the land necessary for access to it from property taxation. As a result, taxable property values and the related ad valorem tax revenue for units of local government could be reduced.

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

**LBB Staff:** WP, KK, SD, SJS