

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATURE 1st CALLED SESSION 2023

May 30, 2023

TO: Honorable Joan Huffman, Chair, Senate Committee on Finance

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SJR1 by Bettencourt (Proposing a constitutional amendment to increase the amount of the exemption from ad valorem taxation by a school district applicable to residence homesteads, to adjust the amount of the limitation on school district ad valorem taxes imposed on the residence homesteads of the elderly or disabled to reflect increases in certain exemption amounts, and to except certain appropriations to pay for school district ad valorem tax relief from the constitutional limitation on the rate of growth of appropriations.), **As Introduced**

No fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$204,406.

The resolution would propose an amendment to Section 1-b, Subsections (c) and (d), Article VIII, of the Texas Constitution, to increase the mandatory homestead exemption for school district property taxation from \$40,000 to \$100,000.

The approval of the proposed amendment to Section 1-b of Article VIII by the voters would, in and of itself, result in a reduction of school district property tax revenue and a partial reimbursement of that lost revenue by the state. The fiscal impact of these provisions is shown in the fiscal note for SB 1.

The proposed amendment would be submitted to voters at an election to be held November 7, 2023.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JMc, KK