88R14517 MLH-D

By:  Gervin-Hawkins H.B. No. 4950

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from ad valorem taxation of the amount of the appraised value of real property that arises from the installation in the property of certain energy efficiency-related improvements.

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

SECTION 1.  Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.272 to read as follows:

Sec. 11.272.  ENERGY-EFFICIENT IMPROVEMENTS. (a) In this section, "energy efficiency-related improvement" means an improvement or technology that reduces the amount of energy needed to perform the basic functions of a property, including:

(1)  a high-efficiency heating, ventilation, and air conditioning system;

(2)  a central air conditioning demand response technology;

(3)  a high-efficiency heat pump;

(4)  attic insulation;

(5)  a radiant barrier;

(6)  a smart thermostat;

(7)  a high-efficiency water heater;

(8)  an electric vehicle charging demand response technology;

(9)  high-efficiency windows; and

(10)  the sealing or resealing of doors, windows, or other openings.

(b)  A person is entitled to an exemption from taxation of the amount of the appraised value of real property owned by the person that arises from the installation in the property of an energy efficiency-related improvement.

(c)  The comptroller, with the assistance of the State Energy Conservation Office or its successor, shall develop guidelines to assist local officials in the administration of this section.

SECTION 2.  Section 11.43(c), Tax Code, is amended to read as follows:

(c)  An exemption provided by Section 11.13, 11.131, 11.132, 11.133, 11.134, 11.17, 11.18, 11.182, 11.1827, 11.183, 11.19, 11.20, 11.21, 11.22, 11.23(a), (h), (j), (j-1), or (m), 11.231, 11.254, 11.27, 11.271, 11.272, 11.29, 11.30, 11.31, 11.315, or 11.35, once allowed, need not be claimed in subsequent years, and except as otherwise provided by Subsection (e), the exemption applies to the property until it changes ownership or the person's qualification for the exemption changes. However, except as provided by Subsection (r), the chief appraiser may require a person allowed one of the exemptions in a prior year to file a new application to confirm the person's current qualification for the exemption by delivering a written notice that a new application is required, accompanied by an appropriate application form, to the person previously allowed the exemption. If the person previously allowed the exemption is 65 years of age or older, the chief appraiser may not cancel the exemption due to the person's failure to file the new application unless the chief appraiser complies with the requirements of Subsection (q), if applicable.

SECTION 3.  This Act applies beginning with the 2024 tax year.

SECTION 4.  This Act takes effect January 1, 2024, but only if the constitutional amendment proposed by the 88th Legislature, Regular Session, 2023, to authorize the legislature to provide for an exemption from ad valorem taxation of the amount of the market value of real property that arises from the installation in the property of certain energy efficiency-related improvements is approved by the voters. If that amendment is not approved by the voters, this Act has no effect.