

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 23, 2023

TO: Honorable Morgan Meyer, Chair, House Committee on Ways & Means

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2987 by Metcalf (Relating to the exemption of tangible personal property from ad valorem taxation; making conforming changes.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 11 of the Tax Code to exempt tangible personal property from ad valorem taxation for a tax year that begins on or after January 1, 2024.

The bill makes conforming changes throughout the Tax Code related to the exemption for all tangible personal property.

The bill would take effect on January 1, 2024 contingent on voter approval of an associated constitutional amendment (HJR 129).

Because the associated constitutional amendment is self-enabling, the cost of exempting all tangible personal property from taxation is indicated in the fiscal note for the associated resolution.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, KK, SD, BRI