

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 3, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HJR141 by Guillen (proposing a constitutional amendment authorizing the legislature to define certain terms for purposes of the exemption from ad valorem taxation of farm products in the hands of the producer.), **Committee Report 1st House, Substituted**

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 Article VIII, of the Texas Constitution, to authorize the Legislature to define “farm products” and “in the hands of the producer” for purposes of the property tax exemption for farm products. The bill would replace the term members elect with the term members elected.

This proposed constitutional amendment would allow—but would not require—the Legislature to define what items qualify for the tax exemption for farm products (such as livestock, poultry, timber, and supplies used or produced in a farming operation) in the hands of the producer.

Any effect of this resolution would depend on future legislation.

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: 304 Comptroller of Public Accounts

LBB Staff: JMc, KK, SD, BRI