

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

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**April 16, 2023**

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

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HJR171** by Button (Proposing a constitutional amendment establishing a limitation on the total amount of ad valorem taxes that a county may impose on the residence homesteads of persons who are disabled or elderly and their surviving spouses.), **As Introduced**

**No significant 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, relating to Taxation and Revenue, to limit the total amount of property taxes a county may impose on residence homesteads of persons who are disabled or 65 years of age or older and their surviving spouses.

The Legislature, by general law, could provide additional criteria related to the limitation. The resolution would propose conforming changes.

The proposed amendment would require that counties provide an over-65 or disabled tax limitation and would reduce property tax levies in counties not currently granting the optional tax limitation.

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

**Local Government Impact**

Passage of the resolution would require counties to provide an over-65 or disabled limitation tax limitation. To the extent that a county is not currently providing the optional over-65 or disabled value limitation as provided under current law, property tax levies could be reduced.

All school districts are required under current law to grant such a tax limitation; historical tax limitation levy loss information from school districts was used to estimate the levy losses for counties. Losses from counties that currently grant the optional tax limitation were excluded. The cumulative levy losses for counties are expected to be \$107.9 million in fiscal year 2025, increasing to \$527.6 million in fiscal year 2028.

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

**LBB Staff:** JMc, KK, SD, BRI