

By: Hopper

H.B. No. 99

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from ad valorem taxation of a portion of the appraised value of certain land that is located in a priority groundwater management area and is not irrigated.

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

SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.38 to read as follows:

Sec. 11.38. CERTAIN LAND IN PRIORITY GROUNDWATER MANAGEMENT AREA. (a) In this section, "priority groundwater management area" has the meaning assigned by Section 35.002, Water Code.

(b) A person is entitled to an exemption from taxation of 35 percent of the appraised value of a tract of land the person owns that is:

- (1) located in a priority groundwater management area;
- (2) at least one-half acre in area, not including any portion of the tract underlying a structure;
- (3) not irrigated; and
- (4) not subject to appraisal under Subchapter C, D, E, or H, Chapter 23.

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,

1 11.254, 11.27, 11.271, 11.29, 11.30, 11.31, 11.315, 11.35, [~~or~~]
2 11.36, or 11.38, once allowed, need not be claimed in subsequent
3 years, and except as otherwise provided by Subsection (e), the
4 exemption applies to the property until it changes ownership or the
5 person's qualification for the exemption changes. However, except
6 as provided by Subsection (r), the chief appraiser may require a
7 person allowed one of the exemptions in a prior year to file a new
8 application to confirm the person's current qualification for the
9 exemption by delivering a written notice that a new application is
10 required, accompanied by an appropriate application form, to the
11 person previously allowed the exemption. If the person previously
12 allowed the exemption is 65 years of age or older, the chief
13 appraiser may not cancel the exemption due to the person's failure
14 to file the new application unless the chief appraiser complies
15 with the requirements of Subsection (q), if applicable.

16 SECTION 3. This Act applies only to a tax year that begins
17 on or after the effective date of this Act.

18 SECTION 4. It is the intent of the 89th Legislature, Regular
19 Session, 2025, that the amendments made by this Act to Section
20 11.43(c), Tax Code, be harmonized with another Act of the 89th
21 Legislature, Regular Session, 2025, relating to nonsubstantive
22 additions to and corrections in enacted codes.

23 SECTION 5. This Act takes effect January 1, 2026, but only
24 if the constitutional amendment proposed by the 89th Legislature,
25 Regular Session, 2025, to authorize the legislature to exempt from
26 ad valorem taxation a portion of the appraised value of certain land
27 that is located in a priority groundwater management area and is not

H.B. No. 99

1 irrigated is approved by the voters. If that amendment is not
2 approved by the voters, this Act has no effect.