

By: Vasut

H.J.R. No. 33

A JOINT RESOLUTION

proposing a constitutional amendment providing for the creation of the property tax reduction fund and dedicating certain surplus state revenue to the fund.

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

SECTION 1. Article VIII, Texas Constitution, is amended by adding Section 7-f to read as follows:

Sec. 7-f. (a) In this section:

(1) "Fund" means the property tax reduction fund.

(2) "Sales tax revenue" means the revenue received by this state from the imposition of state sales and use taxes on the sale, storage, use, or other consumption in this state of taxable items under Chapter 151, Tax Code, or its successor.

(b) The property tax reduction fund is established as a special fund outside the general revenue fund in the state treasury. The comptroller of public accounts shall administer the fund.

(c) The fund consists of:

(1) money transferred or deposited to the credit of the fund; and

(2) the interest and other earnings attributable to the investment of money in the fund.

(d) The comptroller of public accounts shall:

(1) allocate for deposit to the credit of the fund sales tax revenue in an amount equal to 60 percent of the amount by

1 which the amount of sales tax revenue received in a state fiscal  
2 biennium exceeds the amount of that revenue that may be spent during  
3 that biennium in accordance with the limit on the rate of growth of  
4 appropriations for that biennium provided by general law; and

5 (2) periodically deposit to the credit of the fund the  
6 sales tax revenue allocated under Subdivision (1) of this  
7 subsection, with the final deposit for that biennium to be made not  
8 later than the 90th day of the following state fiscal biennium.

9 (e) Subject to Subsection (f) of this section, money in the  
10 fund may be used only to reduce school district maintenance and  
11 operations ad valorem taxes.

12 (f) If the amount of money in the fund exceeds the amount of  
13 money required to eliminate school district maintenance and  
14 operations ad valorem taxes for a state fiscal year, the  
15 legislature may appropriate the surplus amount to reduce any other  
16 state tax in any manner authorized by general law.

17 (g) On July 1, 2026, the comptroller of public accounts  
18 shall transfer to the fund an amount of general revenue equal to 90  
19 percent of the amount of federal money received by this state under  
20 the One Big Beautiful Bill Act (Pub. L. No. 119-21) for the purpose  
21 of reimbursing this state for expenses related to border security.  
22 This subsection expires August 1, 2026.

23 SECTION 2. The following temporary provision is added to  
24 the Texas Constitution:

25 TEMPORARY PROVISION. (a) This temporary provision applies  
26 to the constitutional amendment proposed by the 89th Legislature,  
27 1st Called Session, 2025, providing for the creation of the

1 property tax reduction fund and dedicating certain surplus state  
2 revenue to the fund.

3 (b) Section 7-f(d), Article VIII, of this constitution  
4 takes effect beginning with the state fiscal biennium beginning  
5 September 1, 2027.

6 (c) This temporary provision expires September 1, 2028.

7 SECTION 3. This proposed constitutional amendment shall be  
8 submitted to the voters at an election to be held May 2, 2026. The  
9 ballot shall be printed to permit voting for or against the  
10 proposition: "The constitutional amendment providing for the  
11 creation of the property tax reduction fund and dedicating certain  
12 surplus state revenue to the fund."