

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 851
By: Schofield (Bettencourt)
Local Government
5/22/2025
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texas homeowners who are over the age of 65, have at least one qualifying disability, or are disabled veterans are entitled to a limitation on the total amount of property taxes that school districts may impose on their properties. However, the bill author has informed the committee that the state currently lacks comprehensive data on how many qualifying homestead owners are eligible for these limitations and how many actually utilize them, which hinders the development of policies that effectively serve the interests of both the state and its homeowners. H.B. 851 seeks to address the issue by requiring the Comptroller of Public Accounts of the State of Texas to annually report the number of residence homesteads of certain property owners for which the owners are receiving certain property tax benefits.

(Original Author's/Sponsor's Statement of Intent)

C.S.H.B. 851 amends current law relating to the determination and reporting of the number of residence homesteads of certain property owners for which the owner is receiving certain ad valorem tax benefits.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 11.26, Tax Code, by adding Subsections (e-1) and (e-2), as follows:

(e-1) Requires a chief appraiser, for each school district in an appraisal district, to determine the number of residence homesteads subject to the limitation on tax increases required by Section 11.26 (Limitation of School Tax on Homesteads of Elderly or Disabled) for the current tax year and report the number to the Comptroller of Public Accounts of the State of Texas (comptroller) when the chief appraiser submits the appraisal roll for county taxes to the county assessor-collector as prescribed by Section 26.01(b) (relating to requiring the chief appraiser to certify the appraisal district appraisal roll to the comptroller).

(e-2) Requires the comptroller, not later than November 1 of each tax year, to report to the lieutenant governor, the speaker of the house of representatives, and each member of the legislature the total number of residence homesteads in the state subject to the limitation on tax increases required by this section for the current tax year as reported to the comptroller under Subsection (e-1) in that tax year. Requires that the report include the number of those residence homesteads in each school district or a reference to where the information for each school district may be accessed.

SECTION 2. Amends Section 33.06, Tax Code, by adding Subsections (i) and (j), as follows:

(i) Requires the chief appraiser, for each school district in an appraisal district, to determine the number of residence homesteads for which a property owner deferred

collection of a tax, abated a suit to collect a delinquent tax, or abated a sale to foreclose a tax lien under Section 33.06 (Deferred Collection of Taxes on Residence Homestead of Elderly or Disabled Person or Disabled Veteran) during any portion of the preceding tax year and report the number to the comptroller when the chief appraiser submits the appraisal roll for county taxes to the county assessor-collector as prescribed by Section 26.01(b).

(j) Requires the comptroller, not later than November 1 of each tax year, to report to the lieutenant governor, the speaker of the house of representatives, and each member of the legislature the total number of residence homesteads in the state for which a property owner deferred collection of a tax, abated a suit to collect a delinquent tax, or abated a sale to foreclose a tax lien under this section during any portion of the preceding tax year as reported to the comptroller under Subsection (i) in the current tax year. Requires that the report include the number of those residence homesteads in each school district or a reference to where the information for each school district may be accessed.

SECTION 3. Amends Section 33.065, Tax Code, by adding Subsections (k) and (l), as follows:

(k) Requires the chief appraiser, for each school district in an appraisal district, to determine the number of residence homesteads for which a property owner deferred or abated a suit to collect a delinquent tax under Section 33.065 (Deferred Collection of Taxes on Appreciating Residence Homestead) during any portion of the preceding tax year and report the number to the comptroller when the chief appraiser submits the appraisal roll for county taxes to the county assessor-collector as prescribed by Section 26.01(b).

(l) Requires the comptroller, not later than November 1 of each tax year, to report to the lieutenant governor, the speaker of the house of representatives, and each member of the legislature the total number of residence homesteads in the state for which a property owner deferred or abated a suit to collect a delinquent tax under this section during any portion of the preceding tax year as reported to the comptroller under Subsection (k) in the current tax year. Requires that the report include the number of those residence homesteads in each school district or a reference to where the information for each school district may be accessed.

SECTION 4. Makes application of this Act prospective.

SECTION 5. Effective date: January 1, 2026.