

BILL ANALYSIS

H.B. 2730
By: Darby
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The 88th Legislature passed S.B. 1801, which required each appraisal district to periodically confirm that recipients of residence homestead exemptions qualify for those exemptions, and under current law, appraisal districts can claw back the unpaid taxes owed by homeowners who make fraudulent homestead exemption claims. However, as the bill author has informed the committee, after the bill's passage certain central appraisal districts sought to fulfill the bill's requirements by shifting the burden of confirming qualification for the exemption to the taxpayers by sending out mass mail to all of the homeowners in the counties informing them that they were required to confirm their homestead exemption. However, the bill author further informs the committee that some appraisal districts remove an exemption if the homeowner fails to respond to the letter instead of waiting for evidence of fraud. H.B. 2730 seeks to clarify the process by which CADs carry out the goal of S.B. 1801 to restore millions of dollars to the tax rolls removed through erroneously granted exemptions. H.B. 2730 seeks to do this by providing the circumstances under which a chief appraiser of an appraisal district may not require a person allowed a residence homestead property tax exemption to file a new application or confirm the person's current qualification for the exemption.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2730 amends the Tax Code to prohibit the chief appraiser of an appraisal district from requiring a person allowed a residence homestead property tax exemption to file a new application or confirm the person's current qualification for the exemption unless the chief appraiser has reason to believe the person no longer qualifies for the exemption and delivers written notice to the person, accompanied by an appropriate application form, stating the chief appraiser's belief that the person may no longer qualify and the specific reason for that belief.

H.B. 2730 establishes that it is the intent of the 89th Legislature, Regular Session, 2025, that the amendments made by the bill be harmonized with another act of the 89th Legislature, Regular Session, 2025, relating to nonsubstantive additions to and corrections in enacted codes.

EFFECTIVE DATE

September 1, 2025.