

By: Turner

H.B. No. 2786

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the frequency with which an appraisal district is  
3 required to reappraise property for ad valorem tax purposes.

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

5 SECTION 1. Section 6.05(i), Tax Code, is amended to read as  
6 follows:

7 (i) To ensure adherence with generally accepted appraisal  
8 practices, the board of directors of an appraisal district shall  
9 develop biennially a written plan for the annual [~~periodic~~]  
10 reappraisal of all property within the boundaries of the district  
11 according to the requirements of Section 25.18 and shall hold a  
12 public hearing to consider the proposed plan. Not later than the  
13 10th day before the date of the hearing, the secretary of the board  
14 shall deliver to the presiding officer of the governing body of each  
15 taxing unit participating in the district a written notice of the  
16 date, time, and place for the hearing. Not later than September 15  
17 of each even-numbered year, the board shall complete its hearings,  
18 make any amendments, and by resolution finally approve the plan.  
19 Copies of the approved plan shall be distributed to the presiding  
20 officer of the governing body of each taxing unit participating in  
21 the district and to the comptroller within 60 days of the approval  
22 date.

23 SECTION 2. Section 11.35(k), Tax Code, is amended to read as  
24 follows:

1 (k) The exemption authorized by this section expires as to  
2 an item of qualified property on January 1 of the [~~first~~] tax year  
3 following the tax year in which the person who owns the property  
4 qualifies for the exemption authorized by this section [~~in which~~  
5 ~~the property is reappraised under Section 25.18~~].

6 SECTION 3. Section 23.23(a), Tax Code, is amended to read as  
7 follows:

8 (a) An [~~Notwithstanding the requirements of Section 25.18~~  
9 ~~and regardless of whether the appraisal office has appraised the~~  
10 ~~property and determined the market value of the property for the tax~~  
11 ~~year, an~~] appraisal office may increase the appraised value of a  
12 residence homestead for a tax year to an amount not to exceed the  
13 lesser of:

14 (1) the market value of the property [~~for the most~~  
15 ~~recent tax year that the market value was determined by the~~  
16 ~~appraisal office~~]; or

17 (2) the sum of:

18 (A) 10 percent of the appraised value of the  
19 property for the preceding tax year;

20 (B) the appraised value of the property for the  
21 preceding tax year; and

22 (C) the market value of all new improvements to  
23 the property.

24 SECTION 4. Section 23.231(d), Tax Code, is amended to read  
25 as follows:

26 (d) An [~~Notwithstanding the requirements of Section 25.18~~  
27 ~~and regardless of whether the appraisal office has appraised the~~

1 ~~property and determined the market value of the property for the tax~~  
2 ~~year, an]~~ appraisal office may increase the appraised value of real  
3 property to which this section applies for a tax year to an amount  
4 not to exceed the lesser of:

5 (1) the market value of the property [~~for the most~~  
6 ~~recent tax year that the market value was determined by the~~  
7 ~~appraisal office]~~; or

8 (2) the sum of:

9 (A) 20 percent of the appraised value of the  
10 property for the preceding tax year;

11 (B) the appraised value of the property for the  
12 preceding tax year; and

13 (C) the market value of all new improvements to  
14 the property.

15 SECTION 5. The heading to Section 25.18, Tax Code, is  
16 amended to read as follows:

17 Sec. 25.18. ANNUAL [~~PERIODIC~~] REAPPRAISALS.

18 SECTION 6. Section 25.18, Tax Code, is amended by amending  
19 Subsection (a) and adding Subsection (a-1) to read as follows:

20 (a) Each appraisal office shall implement the plan for the  
21 annual [~~periodic~~] reappraisal of property approved by the board of  
22 directors under Section 6.05(i).

23 (a-1) The plan shall provide for the reappraisal of all real  
24 and personal property by the chief appraiser each year. The chief  
25 appraiser shall use the most recent information obtained through  
26 the reappraisal activities described by Subsection (b) when  
27 performing a reappraisal.

1           SECTION 7. Sections 11.35(k), 23.23(a), and 23.231(d), Tax  
2 Code, as amended by this Act, apply only to an ad valorem tax year  
3 that begins on or after the effective date of this Act.

4           SECTION 8. This Act takes effect January 1, 2026.