

By: Turner

H.B. No. 3235

A BILL TO BE ENTITLED

AN ACT

relating to the limitation on increases in the appraised value of a residence homestead for ad valorem tax purposes.

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

SECTION 1. Section 23.23(a), Tax Code, is amended to read as follows:

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

(1) the market value of the property for the most recent tax year that the market value was determined by the appraisal office; or

(2) the sum of:

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

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

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

SECTION 2. This Act applies only to the appraisal for ad valorem tax purposes of residence homesteads for a tax year that

1 begins on or after the effective date of this Act.

2 SECTION 3. This Act takes effect January 1, 2026.