

By: Middleton

S.B. No. 419

A BILL TO BE ENTITLED

AN ACT

relating to the determination of the market value of solar energy property for ad valorem tax purposes.

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

SECTION 1. Section 23.26(d), Tax Code, is amended to read as follows:

(d) To determine the market value of solar energy property using the cost method of appraisal, the chief appraiser shall:

(1) use cost data obtained from generally accepted sources;

(2) make any appropriate adjustment for physical, functional, or economic obsolescence and any other justifiable factor; and

(3) calculate the depreciated value of the property by using a useful life of not less than 35 [~~that does not exceed 10~~] years.

SECTION 2. Section 23.26(d), Tax Code, as amended by this Act, applies only to the appraisal for ad valorem tax purposes of solar energy property for a tax year that begins on or after the effective date of this Act.

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