

By: Bettencourt
(Noble)

S.B. No. 2520

A BILL TO BE ENTITLED

AN ACT

relating to the calculation of the limitation on the total amount of
ad valorem taxes imposed by a school district on the residence
homestead of an individual who is elderly or disabled.

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

SECTION 1. Section 11.26, Tax Code, is amended by adding
Subsection (a-11) to read as follows:

(a-11) This subsection applies only in the tax year
immediately following the first tax year an individual qualifies a
residence homestead for an exemption under Section 11.13(c) after
the beginning of that first tax year, provided that the homestead
remains eligible for that same exemption in that following tax
year. Notwithstanding Subsection (a-10), the amount of the
limitation provided by this section on an individual's residence
homestead for the tax year to which this section applies is equal to
the lesser of:

(1) the amount of the limitation as computed under
Subsection (a-10) for that tax year; or

(2) the amount of tax imposed by the school district on
that residence homestead, calculated without regard to the
limitation on tax increases provided by this section, in that tax
year.

SECTION 2. This Act applies only to ad valorem taxes imposed
for a tax year beginning on or after the effective date of this Act.

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