

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 4, 2025

TO: Honorable Morgan Meyer, Chair, House Committee on Ways & Means

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1370 by Raymond (Relating to an exemption from ad valorem taxation of the amount of the appraised value of real property that arises from the use of xeriscape on the property.), **As Introduced**

No significant fiscal implication to the State is anticipated.

Contingent on the passage of HJR 97, the bill would exempt from property tax the amount of the appraised value of real property owned by the person that arises from the use of xeriscape.

The bill would exempt from property tax the value of real property arising from the installation of xeriscaping. This value can range, for example, on the homeowner level from several bags of mulch to replacing a section of turf grass with suitable plant and rock/gravel designs that can cost well over \$10,000 to create and maintain. Eligible landscaping around apartments and rooftop gardens on commercial buildings such as hotels and office towers can range in the tens of thousands of dollars depending on size and design. However, landscaping expenditures are not explicitly included in the appraised value of property; the extent to which xeriscaping may affect the market value of particular properties cannot be estimated, but an exemption of such is not expected to have significant fiscal implications.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, KK, SD, BRI