

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 27, 2025

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1483 by Gervin-Hawkins (Relating to an exemption from ad valorem taxation of the amount of the appraised value of certain residential real property that arises from the installation in the property of certain energy efficiency-related improvements.), **As Introduced**

No significant fiscal implication to the State is anticipated.

Contingent on the passage of HJR 102, the bill would provide a property tax exemption to certain residential real property of the amount of the appraised value that arises from the installation in the property of certain energy efficiency-related improvements. The bill would apply if the original construction of the property was completed before January 1, 2011, and the improvement was installed on or after January 1, 2026.

The bill would provide definitions and direct the Comptroller together with the State Energy Conservation Office to develop guidelines to assist local officials in the administration of the exemption.

As the rate at which older housing stock receives significant energy-efficient improvements – likely a rate well below one percent of that housing stock per year – and the probability that appraisal districts become aware of such improvements and increase appraised values in consequence is also very low, the fiscal impact of the proposed exemption is expected to be negligible.

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