

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 2, 2025

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3235 by Turner (Relating to the limitation on increases in the appraised value of a residence homestead for ad valorem tax purposes.), **As Introduced**

No fiscal implication to the State is anticipated.

This bill would establish the appraised value of a residence homestead for a tax year is “equal to” the lesser of: (1) the market value for the most recent tax year that the market value was determined by the appraisal office, or (2) the sum of 10 percent of the appraised value of the property for the preceding tax year, the appraised value of the property for the preceding tax year, and the market value of all new improvements to the property, rather than increase the appraised value to an “amount not to exceed” the lesser of the value using that same calculation.

The bill would update the language by deleting the phrase “an amount not to exceed” and using “equal to” instead. The wording change should have no fiscal implications for the state or units of local government.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, KK, SD, BRI