

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 4, 2025

TO: Honorable Paul Bettencourt, Chair, Senate Committee on Local Government

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1920 by West (Relating to the requirement that a person submit an application for an exemption from ad valorem taxation for certain property used for human burial.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require a chief appraiser to grant a property tax exemption for a qualifying cemetery if: 1) a person does not apply for the exemption; 2) the chief appraiser knows or should know based on a reasonable inspection of the property that the property is a cemetery; and 3) the owner of the property is not identifiable.

To qualify for the property tax exemption a cemetery must be used exclusively for human burial and not for profit. The bill would remove the requirement to apply for the exemption and grants the chief appraiser the duty to make the decision based on local knowledge or reasonable inspection of the property.

For qualifying cemeteries that are currently taxed because there is no application on file, this would create a taxable value loss to the units of local government and the state via the school funding formula. It could also lead to some cemeteries receiving the exemption when they may not be eligible. Overall, no detailed cemetery value information was located and the fiscal impact on the state and units of local government cannot be estimated; however, it is likely not significant.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, SZ, SD, BRI, KK