

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 13, 2025

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB2520 by Bettencourt (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.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Section 11.26 of the Tax Code to clarify that the limitation on tax increases (freeze) is the lesser of the amount of tax imposed by the school district in the preceding tax year adjusted as provided by this section or the amount of tax imposed on the homestead in the tax year immediately following the first tax year the individual qualified a residence homestead for the limitation.

To the extent that appraisal districts have not applied current law in the same way as prescribed in the section added by the bill, there could be an impact on taxable values and to the state through the operation of the school finance formulas, however it is unlikely to be significant.

Local Government Impact

Provisions of the bill apply only to school districts.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, SZ, KK, BRI