

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

February 10, 2025

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SJR2 by Bettencourt (Proposing a constitutional amendment to increase the amount of the exemption of residence homesteads from ad valorem taxation by a school district.), **As Introduced**

The approval of the proposed amendment by the voters would, in and of itself, result in a reduction of school district property tax revenue and a partial reimbursement of that lost revenue by the state. Although the resolution is self-enabling, the fiscal impact is shown in the fiscal note for SB 4.

The cost to the state for publication of the resolution is \$191,689.

The resolution would propose an amendment to Article VIII of the Texas Constitution to increase the residence homestead exemption from school district property taxation from \$100,000 to \$140,000.

The proposed amendment would be submitted to voters at an election to be held November 4, 2025, and would be effective for the tax year beginning January 1, 2025, if passed.

Local Government Impact

The fiscal impact to school districts is shown in the fiscal note for SB 4.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, SZ, SD, BRI