

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

March 26, 2025

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SJR81 by Bettencourt (Proposing a constitutional amendment to authorize the legislature to exempt from ad valorem taxation a portion of the market value of tangible personal property a person owns that is held or used for the production of income.), **As Introduced**

No fiscal implication to the State is anticipated, other than the cost of publication.

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

The resolution would propose an amendment to Article VIII, Section 1 of the Texas Constitution, to permit the Legislature to exempt from property taxation \$25,000 of the market value of tangible personal property a person owns that is held or used for the production of income; and would remove the condition that qualifying tangible personal property has a taxable value of less than the minimum amount sufficient to recover the costs of the administration of the taxes on the property, as determined by or under the general law granting the exemption.

Adoption of the proposed constitutional amendment alone would have no fiscal impact on the state or units of local government. Any fiscal impact would be created by the corresponding enabling legislation (SB 32).

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, SZ, SD, BRI