By: Bhojani H.B. No. 489

A BILL TO BE ENTITLED

AN ACT

relating to the establishment and administration of a rebate program for certain residential tenants.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 5, Tax Code, is amended by adding Section 5.17 to read as follows:

Sec. 5.17. PROPERTY TAX RELIEF TO RENTAL HOUSEHOLDS. (a) In this section:

(1) "Fund" means the property tax relief to rental household funds established under section (b).

(2) "Dwelling" has the meaning assigned by Section 92.001, Property Code.

(3) "Landlord" has the meaning assigned by Section 92.001, Property Code.

(4) "Rental household" means one or more persons who occupy the same dwelling and are obligated to pay rent for the residence.

(b) The comptroller shall administer a program to provide rebates to eligible rental households in accordance with the provisions of this section. The property tax relief to rental households fund is established as a special fund in the state treasury outside the general revenue fund. The fund consists of:

(1) money appropriated, transferred, or otherwise allocated to the fund by the legislature;

(2) gifts, grants, and donations made to the fund; and

(3) interest and other earnings on the investment of money in the fund.

(c) Money in the fund may be appropriated only to the comptroller to administer this section and make rebate payments to eligible rental households under this section.

(c) Subject to Subsections (d)-(f), each eligible rental household shall receive a payment of up to ten percent of the rent paid by the household during the previous tax year. The total annual payments to rental households from the property tax relief to rental households fund shall not exceed an amount equal to half of the balance of the fund.

(d) A rental household is eligible for a payment from the fund if they have paid rent to the same landlord for the twelve calendar months of the year for which they have applied for a payment.

(e) Landlords are required to file with the comptroller a certificate of rent paid, in a form prescribed by the comptroller, on February 1 stating the amount each rental household paid in rent in the previous tax year.

(f) To be eligible for a payment, a rental household must apply for a payment from the fund by a date set by the comptroller, using a form prescribed by the comptroller.

SECTION 2. This Act takes effect September 1, 2027.