

PROPERTY TAX BILLS IN THE 2025 TEXAS LEGISLATURE SPECIAL SESSION

Last Updated: July 28, 2025

The legislature's special session is under way. So far, legislators have focused on matters other than property taxes, but dozens of property tax bills have been filed. Below are brief summaries of the bills that we think will be most interesting to MVBA's clients. Of course, we will be happy to assist our clients who have questions about legislation.

We use gold stars to mark the progress of a bill, but those stars turn gray when a bill moves to the dead-bills list.

- ★ Bill has been reported out of committee in the house in which it was filed.
- ★★ Bill has been passed by the house in which it was filed.
- ★★★ Bill has been reported out of committee in the other house.
- ★★★★ Bill has been passed by both houses.
- ★★★★★ Bill has been signed by the Governor and will take effect.

Exemptions

H.B. 99

Author: Hopper

Amends/Enacts: §§11.38 and 11.43 Tax Code

Status: Filed

H.J.R. 16

Author: Hopper

Amends/Enacts: Art. VIII, §1-t Texas Constitution

Status: Filed

This proposed constitutional amendment and related bill would exempt 35% of the appraised value of a tract of land if the tract were: located in a priority groundwater management area; at least half an acre in size; not irrigated; and not appraised as agricultural or timber land.

H.B. 110

Author: Guillen

Amends/Enacts: §11.16 Tax Code

Status: Filed

H.J.R. 17

Author: Guillen

Amends/Enacts: Art VIII, §19 Texas Constitution

Status: Filed

Section 11.16 of the Tax Code exempts “farm products,” but it doesn’t define the term. Under this proposed constitutional amendment and related bill, “farm products” would be defined as they are defined under Chapter 9 of the Business and Commerce Code. That definition includes crops, aquatic goods, livestock, supplies, and “products of crops or livestock.” The Tax Code’s definition would also include poultry, eggs, and timber.

H.B. 112

Author: Lozano

Amends/Enacts: §11.131 Tax Code

Status: Filed

For purposes of the disabled veterans’ homestead exemption, the definition of homestead would expand to include personal property that “formed the basis for” the homeowner’s use of the property as the individual’s primary residence. The homestead would also include all structures and improvements located at the same address that had identical ownership and that were used primarily for residential purposes.

H.B. 122

Author: Harless

Amends/Enacts: 11.23 Tax Code

Status: Filed

This bill would create an exemption (in Harris County only) for a nonprofit organization that promoted agriculture, supported Texas youth and provided educational support within the community.

H.B. 131

Author: Kerwin

Amends/Enacts: §§11.184 and 11.43 Tax Code

Status: Filed

This bill concerns “primarily” charitable organizations. Such an organization would no longer have to file exemption applications annually. An exemption, once granted, would continue as long as the organization owned the property unless the comptroller determined that the organization no longer qualified. An organization would be required to notify the comptroller about changes that might affect its right to the exemption, but there would be no penalty for failing to do so. An organization that lost an exemption before January 1, 2026, would have it retroactively reinstated.

Appraisals

H.B. 90

Author: Collier

Amends/Enacts: §23.013 Tax Code

Status: Filed

H.J.R. 13

Author: Collier

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Filed

This proposed constitutional amendment and related bill concern the appraisal of a homestead that is more than thirty years old and located in (or adjacent to) a TIF reinvestment zone. When appraising such a property, an appraisal district *could* exclude from consideration the value of new or substantially remodeled residential properties that are located in the same neighborhood as the homestead being appraised.

H.B. 151

Author: Littlel

Amends/Enacts: §23.23 Tax Code

Status: Filed

H.J.R. 18

Author: Little

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Filed

Under this proposed constitutional amendment and related bill, the cap on year-to-year increases in the appraised values of residence homesteads would be reduced to 2% per year.

H.B. 157

Author: Cecil Bell

Amends/Enacts: §§1.12, 23.23, 23.231, 25.19, 41.41, and 42.26 Tax Code; §403.302

Government Code

Status: Filed

H.J.R. 19

Author: Cecil Bell

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Filed

Under this proposed constitutional amendment and related bill, the cap on year-to-year increases in the appraised values of all real properties would be reduced to 5% per year.

H.B. 168

Author: Metcalf

Amends/Enacts: §§1.12, 23.232, 25.19, 41.41, and 42.26 Tax Code; §403.302 Government Code

Status: Filed

H.J.R. 21

Author: Metcalf

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Filed

This proposed constitutional amendment and related bill would place a 10% cap on year-to-year increases in the appraised value of a commercial property with a market value of \$10 million or less. The legislature would have the authority to expand the law to include more valuable commercial properties.

H.B. 169

Author: Metcalf

Amends/Enacts: §§1.12, 23.232, 25.19, 41.41, and 42.26 Tax Code; §403.302 Government Code

Status: Filed

H.J.R. 22

Author: Metcalf

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Filed

This proposed constitutional amendment and related bill would place a 20% cap on year-to-year increases in the appraised value of a commercial property with a market value of \$10 million or less.

H.B. 204

Author: Tepper

Amends/Enacts: §§1.12, 23.23, 23.231, 25.19, 41.41, and 42.26 Tax Code

Status: Filed

H.J.R. 27

Author: Tepper

Amends/Enacts: Arty. VIII, §1 Texas Constitution

Status: Filed

The cap on year-to-year increase in the value of a homestead would drop to 2.5%. A cap of 8% would apply to other real properties.

S.B. 47

Author: Miles

Amends/Enacts: §§11.26, 11,261, and 23.23 Tax Code

Status: Filed

A homeowner receiving a cap on the appraised value of his/her homestead can generally keep that benefit even if the home is destroyed and replaced with a new one. That is not true if the new home has a higher quality exterior than the original home that was destroyed. But what if the materials used for the exterior of the original home are no longer available? This bill would allow the owner to keep the benefit if the materials used for the exterior of the new home are “the materials most comparable in quality to the materials used for the exterior of the replaced structure.” This bill is also discussed under the heading, *Assessment*.

Appraisal Districts and ARBs

H.B. 154

Author: Cecil Bell

Amends/Enacts: §41.43 Tax Code; §37.10 Penal Code

Status: Filed

A protesting property owner who had an appraisal of a residential real property could provide a copy to the appraisal district at least fourteen days before the ARB hearing. The appraisal would have to be at least 180 days old and performed by an appraiser certified by the TALCB. If the appraisal supported the property owner's opinion of value, the ARB would have to determine the protest in favor of the property owner and give the owner the value stated in the appraisal.

Appeals

Assessment

H.B. 40

Author: Harrison

Amends/Enacts: §26.06, 26.063, and 26.07 Tax Code; §281.124 Health and Safety Code; §1101.254 Special District Local Laws Code

Status: Filed

A taxing unit could not adopt a tax rate higher than its voter-approval tax rate unless two thirds of the voters approved the rate in the election.

H.B. 43

Author: Harrison

Amends/Enacts: §§26.012, 26.013, 26.04, 26.041, 26.042, 26.0501, 26.063, 26.06, 26.07, 26.075, 31.12, and 33.08 Tax Code; §§45.0032 and 48.202 Education Code; §§3828.157 and 8876.152 Special District Local Laws Code; §§49.057, 49.107, 49.108, 49.236, 49.23601, 49.23602, and 49.23603 Water Code

Status: Filed

This bill would eliminate exceptions to current strict truth-in-taxation laws and generally make it even more difficult for a taxing unit to increase taxes from one year to the next. A taxing unit could no longer add 3.5% or 8% in the calculation of its voter-approval tax rate. Any year-to-year increase in revenues would trigger an election.

H.B. 47

Author: Harrison

Amends/Enacts: §26.046 Tax Code; §140.014 Local Government Code

Status: Filed

The tax levy of a city or county could exceed the preceding year's levy by only enough to keep up with inflation and population growth.

H.B. 57

Author: Schofield

Amends/Enacts: § 11.261, 23.19, and 26.012 Tax Code

Status: Filed

H.J.R. 10

Author: Schofield

Amends/Enacts: Art. VIII, §1-b Texas Constitution
Status: Filed

The school-tax ceiling that applies to the homesteads of people who are over 65 or disabled would apply to all taxing units. In the case of an existing homestead, the ceiling for taxing units other than a school district would be based on 2025 taxes.

H.B. 60

Author: Troxclair

Amends/Enacts: §26.0502 Tax Code; §1253.004 Government Code; §49.23604 Water Code
Status: Filed

If voters rejected a proposed tax rate in one year and the taxing unit's governing body then considered a rate that exceeded the voter-approval rate in the next year, that higher rate would have to get the approval of at least 80% of the members of the governing body.

Any vote to issue general-obligation bonds by a taxing unit's governing body would require the support of at least 60% of the members.

H.B. 67

Author: Troxclair

Amends/Enacts: §§26.06, 26.063, and 26.07 Tax Code; §41.0051 Election Code; §1253.004 Government Code; §1253.004 Health and Safety Code; §1101.254 Special District Local Laws Code
Status: Filed

In order for a taxing unit to adopt a tax rate higher than its voter-approval rate, the measure would require the approval of two-thirds of the voters in an election. The issuance of general-obligation bonds would also require the approval of two-thirds of voters.

H.B. 96

Author: Alders

Amends/Enacts: §§26.06, 26.063, and 26.07 Tax Code; §41.0051 Election Code; §1253.004 Government Code; §1253.004 Health and Safety Code; §1101.254 Special District Local Laws Code
Status: Filed

H.J.R. 14

Author: Alders

Amends/Enacts: Art. XVI, §62 Texas Constitution
Status: Filed

In order for a taxing unit to adopt a tax rate higher than its voter-approval rate, the measure would require the approval of three-fifths of the voters in an election. The issuance of general-obligation bonds would also require the approval of three-fifths of voters.

H.B. 107

Author: Swanson

Amends/Enacts: §§26.06, 26.063, and 26.07 Tax Code; §281.124 Health and Safety Code; §1101.254 Special District Local Laws Code
Status: Filed

In order for a taxing unit to adopt a tax rate higher than its voter-approval rate, the measure would require the approval of two-thirds of the voters in an election.

H.B. 119

Author: Dean

Amends/Enacts: N/A

Status: Filed

This bill would apply to a taxing unit (other than a school district) that suffered from a disaster that resulted in a higher 2025 voter-approval rate than the unit would have had otherwise. The unit would have to hold an election and seek retroactive voter approval for its adopted tax rate. The election would have to occur within thirty days of the bill becoming law.

H.B. 158

Author: Hickland

Amends/Enacts: §§26.013, 26.04, 26.041, 26.042, and 26.0501 Tax Code; §120.007 Local Government Code; §49.23602 Water Code

Status: Filed

Unused increment rates would disappear from truth-in-taxation calculations.

H.B.193

Author: Barry

Amends/Enacts: §26.07 Tax Code; §1253.004 Government Code

Status: Filed

An increase in a taxing unit's m&o revenue resulting from an election could not be used to repay bonds.

S.B. 47

Author: Miles

Amends/Enacts: §§11.26, 11,261, and 23.23 Tax Code

Status: Filed

A homeowner receiving a tax ceiling on his/her homestead can generally keep that benefit even if the home is destroyed and replaced with a new one. That is not true if the new home has a higher quality exterior than the original home that was destroyed. But what if the materials used for the exterior of the original home are no longer available? This bill would allow the owner to keep the benefit if the materials used for the exterior of the new home are “the materials most comparable in quality to the materials used for the exterior of the replaced structure.” This bill is also discussed under the heading, *Appraisals*.

Collection

H.B. 53

Author: Schofield

Amends/Enacts: §33.06 Tax Code

Status: Filed

The interest rate on deferred or abated homestead taxes would drop from 5% to the five-year Constant Maturity Treasury Rate reported by the Federal Reserve as of January 1 of each year (approximately 4.4% for 2025).

H.B. 137

Author: Muñoz

Amends/Enacts: §§31.074 and 33.01 Tax Code

Status: Filed

Total penalties and interest associated with a delinquent tax could never exceed \$500. A tax office that received a payment would have to apply the payment first to base taxes and then to penalties and interest.

H.B. 138

Author: Muñoz

Amends/Enacts: §§31.074 and 33.01 Tax Code

Status: Filed

Total penalties and interest associated with a delinquent tax could never exceed 5% of the delinquent tax. A tax office that received a payment would have to apply the payment first to base taxes and then to penalties and interest.

School Finance and Value Studies

H.B. 34

Author: Leo Wilson

Amends/Enacts: §403.3011 Government Code

Status: Filed

Under current law, an “eligible school district” can qualify to have its local values accepted even though it fails a value study if has a recent history of valid local values. A school district can receive this benefit only if its appraisal district passed its most recent MAP review and if the local value is fairly close to the comptroller’s value. This bill would eliminate those two requirements.

H.B. 39

Author: Toth

Amends/Enacts: §48.255 Education Code; §403.109 Government Code

Status: Filed

The TEA would reduce the compression percentage for school districts in a year to the lowest percentage possible as the result of funds coming into the property tax relief fund and any additional appropriation from the legislature. If the compression percentage were ever zero, a school district could not assess a Tier-1 m&o tax for that school year or any subsequent school year.

After each biennium, the comptroller would deposit into the property tax relief fund 90 of the amount by which the amount of general revenue received in that biennium exceeded the amount

of consolidated general revenue appropriations that could be appropriated within the limit on the rate of growth of those appropriations adopted for that biennium. That money could only go toward reducing the compression percentage.

H.B. 55

Author: Schofield

Amends/Enacts: §§7.062 and 48.259 Education Code; §403.302 Government Code

Status: Filed

This bill would repeal §48.259 of the Education Code which generally says that under the Foundation School Program, the TEA may recognize percentage homestead exemptions only if the funds are specifically appropriated or otherwise available. A school value study would recognize all of a percentage homestead exemption instead of just one-half.

H.B. 41

Author: Toth

Amends/Enacts: N/A

Status: Filed

This bill would end school m&o taxes and replace them with value-added taxes.

H.B. 61

Author: Cain

Amends/Enacts: N/A

Status: Filed

This bill would end school m&o taxes and replace them with value-added taxes.

H.B. 71

Author: Troxclair

Amends/Enacts: §48.255 Education Code; §403.109 Government Code

Status: Filed

The comptroller would deposit into the Property Tax Relief Fund general revenue in an amount equal to 90 percent of the amount by which the amount of general revenue received in a state fiscal biennium exceeded 104 percent of the total amount of general revenue that was received during the preceding state fiscal biennium. The amount deposited could be used only for school tax reduction and would result in a lower compression percentage.

H.B. 120

Author: Gerdes

Amends/Enacts: §48.2554 Education Code

Status: Filed

This bill would reduce every school district's maximum compressed tax rate for 2026-2027 school year by an unspecified amount. But no school district's maximum compressed tax rate would be less than 90% of another school district's maximum compressed tax rate.

H.B. 129

Author: Kerwin

Amends/Enacts: §403.108 Government Code

Status: Filed

At the end of every biennium, the comptroller would transfer certain surplus state money to a special fund for property tax reduction.

H.B. 130

Author: Kerwin

Amends/Enacts: N/A

Status: Filed

This bill would end school m&o taxes and replace them with value-added taxes.

H.B. 149

Author: Metcalf

Amends/Enacts: §26.035 Tax Code

Status: Filed

This bill would end school m&o taxes beginning January 1, 2028. A school district could still levy enrichment taxes at a rate of up to 17¢. A joint interim legislative committee would study ways to replace the m&o taxes.

H.B. 156

Author: Cecil Bell

Amends/Enacts: §403.109 Government Code

Status: Filed

At the end of each biennium, the comptroller would deposit into the Property Tax Relief Fund general revenue in an amount equal to half of the amount by which the total available general revenue for that biennium exceeded the amount of total available general revenue stated in the comptroller's biennial revenue estimate for that biennium.

H.B. 184

Author: Isaac

Amends/Enacts: §48.2554 Education Code

Status: Filed

This bill would reduce every school district's maximum compressed tax rate for 2026-2027 school year by an unspecified amount. But no school district's maximum compressed tax rate would be less than 90% of another school district's maximum compressed tax rate.

Miscellaneous

H.B. 116

Author: Dean

Amends/Enacts: N/A

Status: Filed

This bill would end school m&o taxes as well as local sales taxes and replace them with value-added taxes. The comptroller would work out the details.

H.B. 45

Author: Harrison

Amends/Enacts: The whole Property Tax Code

Status: Filed

H.J.R. 8

Author: Harrison

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Filed

This proposed constitutional amendment and related bill would eliminate property taxes. A joint legislative committee would study replacing property taxes with sales taxes.

H.B. 48

Author: Harrison

Amends/Enacts: §45.003 Education Code

Status: Filed

When a school district held a bond election, the ballots would have to say," THIS IS A PROPERTY

TAX INCREASE" in 42-point type, **like this**.

H.B. 118

Author: Dean

Amends/Enacts: N/A

Status: Filed

The comptroller would take money provided by the federal government for border security and immigration-related costs and pay it to homeowners instead. An equal share of the money would be paid by the state to each owner of a residence homestead.

H.B. 164

Author: Money

Amends/Enacts: N/A

Status: Filed

H.J.R. 20

Author: Money

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Filed

This bill would create a Commission to Study Measures to Abolish Ad Valorem Taxes. The commission would be led by the comptroller and include legislative leaders. It would study alternative methods of taxation to replace revenue lost to political subdivisions if ad valorem taxes are abolished. It would report its findings to the legislature ahead of the 2027 regular session. Property taxes would end on January 1, 2030.

H.B. 178

Author: Harrison

Amends/Enacts: §§23.03, 26.012, and 312.0025 Tax Code

Status: Filed

This bill would repeal the Texas Jobs, Energy, Technology, and Innovation Act enacted in 2023, including provisions that allow school districts to limit values for purposes of economic development.

H.J.R. 9

Author: Toth

Amends/Enacts: Art. VIII, §22A Texas Constitution

Status: Filed

This proposed constitutional amendment is confusing but it seems to generally intend to limit the growth of state and local tax revenues and to require the return of “over-collected taxpayer money.”

S.B. 45

Author: Middleton

Amends/Enacts: §403.108 Government Code

Status: Filed

The comptroller would take money provided by the federal government for border security and immigration-related costs and use it to reduce property taxes instead.