



The Senate of Texas

KEVIN SPARKS

DISTRICT 31

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SENATOR SPARKS PRAISES LEGISLATIVE PROPERTY TAX CUT PACKAGE

AUSTIN—State Senator Kevin Sparks celebrated the passage of a significant property tax cut yesterday after the deal was passed by the House and Senate. “I am delighted to deliver this message to my constituents: The House and Senate have negotiated on behalf of their constituencies and have passed legislation that benefits all Texans,” said Senator Sparks. “I believe that these pieces of legislation offer landmark relief that Texans will feel directly in terms of savings.”

The two pieces of legislation, S.B. 2 and S.B. 3, along with the constitutional amendment offered by the House, H.J.R. 2, do the following:

- Increases the **Texas homestead exemption to \$100,000** on 5.72 million Texas homeowner’s ISD property tax bills, effective on this year’s property tax bill;
- Provides **\$7 billion worth of maximum compression rate** of ISD maintenance and operation property tax rate cuts of 23.8%;
- Allows non-homesteaded real property, valued at \$5 million and under, to receive a 20% circuit-breaker on appraised value increases as a 3-year pilot project;
- Requires that three county citizens be elected county-wide to each **County Appraisal District (CAD)** board of directors in non-partisan positions. The CAD board of directors will now select Appraisal Review Board (ARB) members, in each county of 75,000 population or greater;
- Holds harmless school districts on these changes with **\$642 million in additional I&S monies**;
- **Doubles the franchise tax exemption** to \$2.47 million, resulting in an estimated 67,000 businesses no longer paying a franchise tax, which represents 40% of those that pay this tax; and
- **Eliminates a “nuisance-tax”** for 1.7 million taxpayers filing the no-tax-due form for franchise taxes.

“In short, these bills provide a \$100,000 homestead exemption for 5.72 million homeowners, 23%+ M&O property tax cut in your school tax rate, doubles the franchise tax exemption, eliminates the burdensome franchise tax “No Tax Due” paperwork, and eliminates fines for small businesses. The economic engine of the State of Texas—the 9th largest economy in the world—will provide all Texans the opportunity to grow and prosper. We’ll continue to do this even as we push back against a federal government seemingly dead set on runaway spending and inflationary policies.”

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