

# Property Tax 2023: Where We Are, How We Got Here, and What's Ahead

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## Agenda

- Property Tax Relief: Details and Perspective
- 20% Appraisal Cap Pilot Program
- Appraisal District Governance
- Other Property Tax Legislation
- Jobs, Energy, Technology & Innovation (JETI) Act
- Recent Developments

# Property Tax Relief

## Property Tax Relief, 88th Regular Session

### How to spend \$18 billion on property tax relief

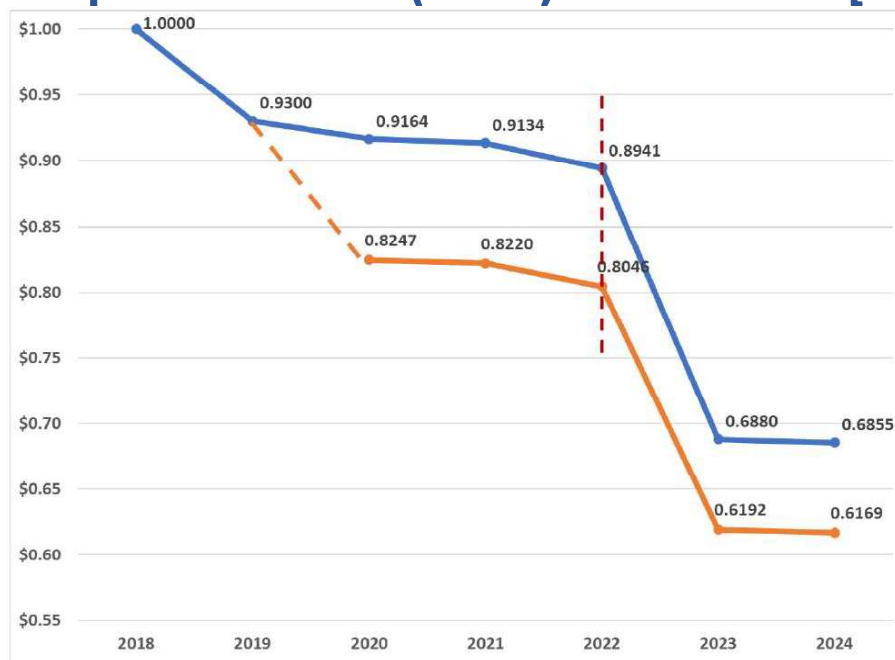
- \$0.10 of school M&O rate compression under current law
- \$0.107 of additional school M&O rate compression
- \$100,000 homestead exemption for school property tax (M&O and I&S)
  - Commensurate reduction for frozen tax bills of disabled and over-65 homeowners
- 3-year “circuit breaker” pilot program: 20% cap on taxable value of non-homestead real property with a market value of \$5 million or less
- Create 3 elected positions on board of directors of each appraisal district in counties with population of 75,000 or more (4-year term limit)
- Exemption of state spending for property tax relief from the constitutional spending limit
- Increase franchise tax no-tax-due threshold from \$1M to \$2.47M and eliminate return

## Measures requiring a constitutional amendment

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## School District M&O Tax Rate Compression

### Maximum Compressed Rate (MCR) Under SB 2 [88(2)]



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71<sup>st</sup> Annual Taxation Conference: Day 1 - Focus on Business Planning session  
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