Residence Homestead ISD Property Tax Savings From SB 4 and SB 23

A First of Its Kind Statewide Data Collection Effort for Homestead and Over 65/Disabled ISD Property Tax

How we got here…

Beginning in 2015 the Homestead Exemption was increased from $15K to $25K. Then in 2021 the Homestead Exemption was increased from $25K to $40K. Again in 2023 an additional $60K was added for a total of $100k. Most recently in 2025, $40K was added to Regular Homesteads for a total of **$140K** and $50K was added to Over 65/Disabled Homesteads for a total of **$200k**.

SB 4 and SB 23 passed with **78%** and **79%** in November 2025.

With passage of these two measures, **$51 billion** in the current biennium budget is dedicated to property tax relief through M&O tax rate compression and homestead exemptions.

Counties mostly mailed **reduced** ISD property tax bills before the end of last year. Those tax bills were due in January 2026.

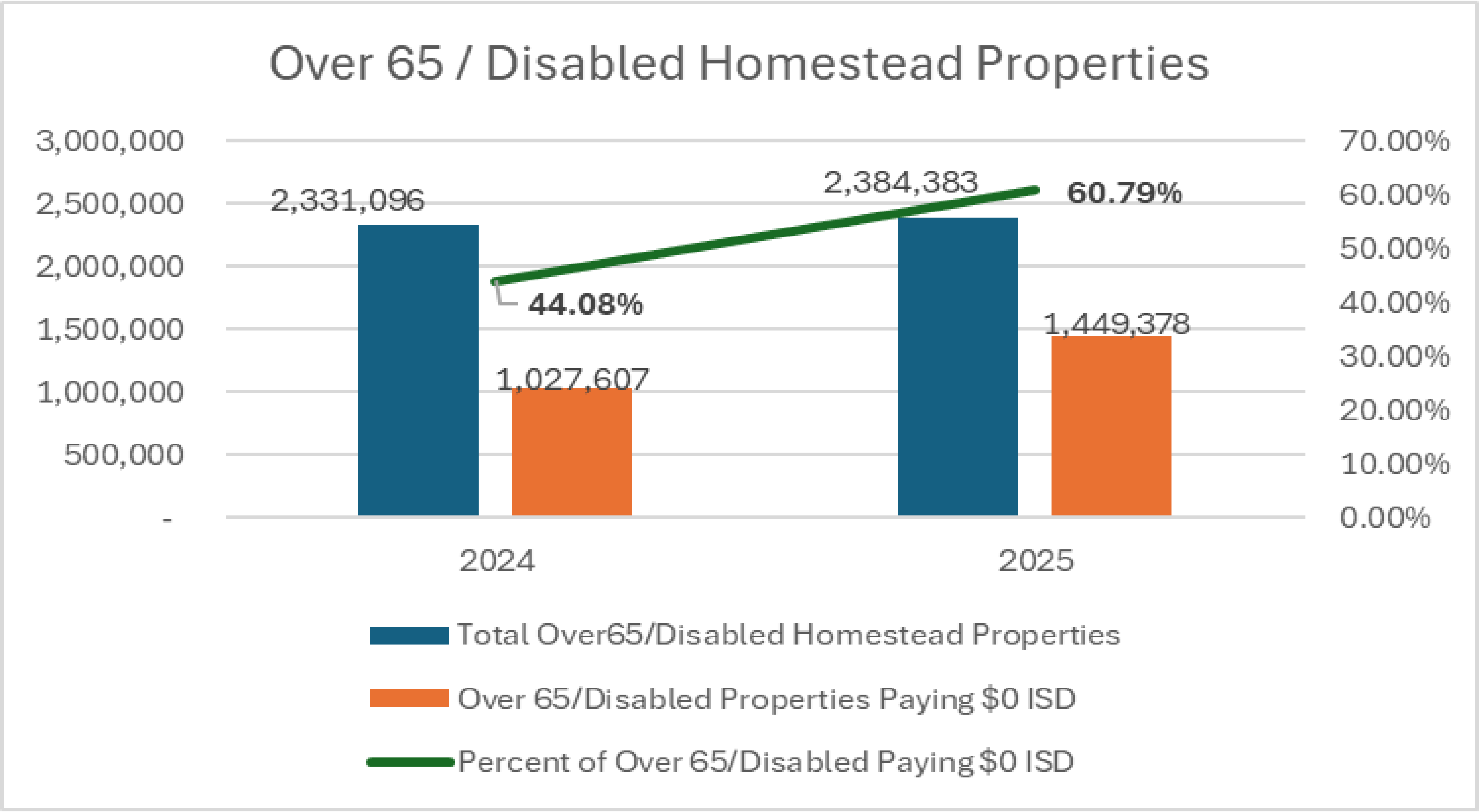
Homestead and Over 65/ Disabled Data Collected Directly From All 254 Counties for the 1st Time

- Public Information Requests were sent out over a 4-month period.
- All 253 County Appraisal Districts were contacted and asked to provide 16 data points.
- All 254 County Tax Assessor-Collectors were contacted to provide data points.
- This data is direct from the sources responsible for property appraisals and the subsequent mailing of property tax bills.
- This is the most comprehensive Homestead ISD property tax data collection project, using actual tax bill data from across the state.

What the data is showing…

	2024	2025
Total Over65/Disabled Homestead Properties	2,331,096	2,384,383
Over 65/Disabled Properties Paying $0 ISD	1,027,607	1,449,378
Percent of Over 65/Disabled Paying $0 ISD	44.08%	**60.79%**

Note: Once Frozen at $0 ISD Tax Bill It Stays at $0 ISD Tax Bill

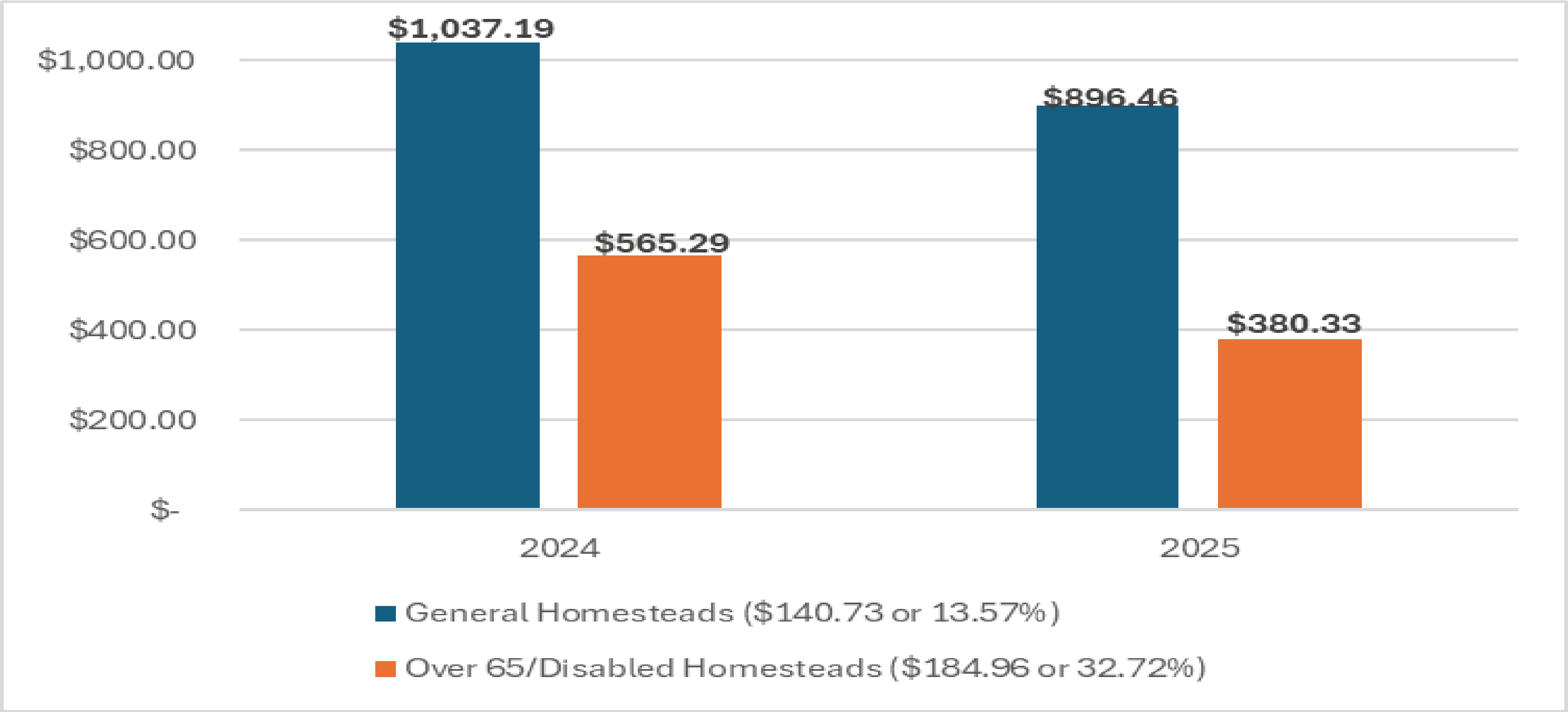


Over 65 / Disabled Homestead Properties
3,000,000
2,500,000
2,000,000
1,500,000
1,000,000
500,000
-
70.00%
60.00%
50.00%
40.00%
30.00%
20.00%
10.00%
0.00%
2,331,096
1,027,607
44.08%
2,384,383
1,449,378
60.79%
2024
2025
Total Over65/Disabled Homestead Properties
Over 65/Disabled Properties Paying $0 ISD
Percent of Over 65/Disabled Paying $0 ISD

What the data is showing…

	2024	2025
General Homestead Properties	3,744,082	3,729,141
Homestead Properties Paying $0 ISD	699,609	949,320
Percent of Homesteads Paying $0 ISD	18.69%	**25.46%**
	2024	**2025**
Statewide Percentage of All Homestead Properties Paying $0 ISD	28.43%	**39.23%**

Statewide Average ISD Property Tax Bills



From 2024 to 2025, General Homestead ISD property tax bills have declined $140.73, on average, or 13.57%. Over-65/Disabled Homestead ISD property tax bills have declined $184.96, on average, or 32.72%.

Total Number of Counties at Various Percentages of Over 65/Disabled Homesteads Paying $0 ISD Property Tax

	Total Number of Counties	Percent of All Texas Counties
50% or more paying $0 ISD property tax	234	92.13%
60% or more paying $0 ISD property tax	226	88.98%
70% or more paying $0 ISD property tax	195	76.77%
80% or more paying $0 ISD property tax	162	63.78%

Percentage of Over 65/Disabled Homesteads Paying $0 ISD Property Tax by County Type

	2024	2025	% Change	County Type
Harris County	14.53%	38.40%	164.28%	Major Metro
Dallas County	38.43%	48.02%	24.95%	Major Metro
Tarrant County	40.00%	60.00%	50.00%	Major Metro
Bexar County	53.81%	72.78%	35.25%	Major Metro
Travis County	22.74%	37.85%	66.45%	Major Metro
Collin County	17.52%	33.11%	88.98%	Suburban
Denton County	17.34%	35.70%	105.88%	Suburban
Hildago County	72.92%	82.01%	12.47%	South Texas
El Paso County	71.00%	87.00%	22.54%	Major Metro
Lubbock County	60.25%	82.64%	37.16%	West Texas
Smith County	59.86%	65.31%	9.10%	East Texas
Midland County	45.95%	64.76%	40.94%	West Texas
Parker County	45.72%	63.14%	38.10%	Suburban
Ector County	27.96%	84.53%	202.32%	West Texas

Average Property Tax Levy Growth Rates, by Taxing Unit Type, 2005-2019 & 2019-2024

Taxing Unit Type	Years 2005-2019	Years 2019-2024	Difference (05-19 vs. 19-24)
Statewide	14.74%	5.03%	-9.71%
Cities	9.23%	8.19%	-1.04%
Counties	8.74%	9.65%	0.91%
ISDs	18.26%	3.21%	-15.05%
SPDs	10.45%	10.30%	-0.15%
* ISD Levy Growth 2019-2024 of 3.21% is above the ISD local collection limit of 2.5% due to Voter Approval Tax Rate Elections (VATRE) passed in ISDs.			
** There has been a 62.5% increase in special purpose district (SPDs) total levies from 2005-2024. This is primarily driven by the number of new municipal ultilty districts (MUDs) created over the same time period.			
Levy Growth Data Source: Texas Comptroller, Property Tax Assistance Division			

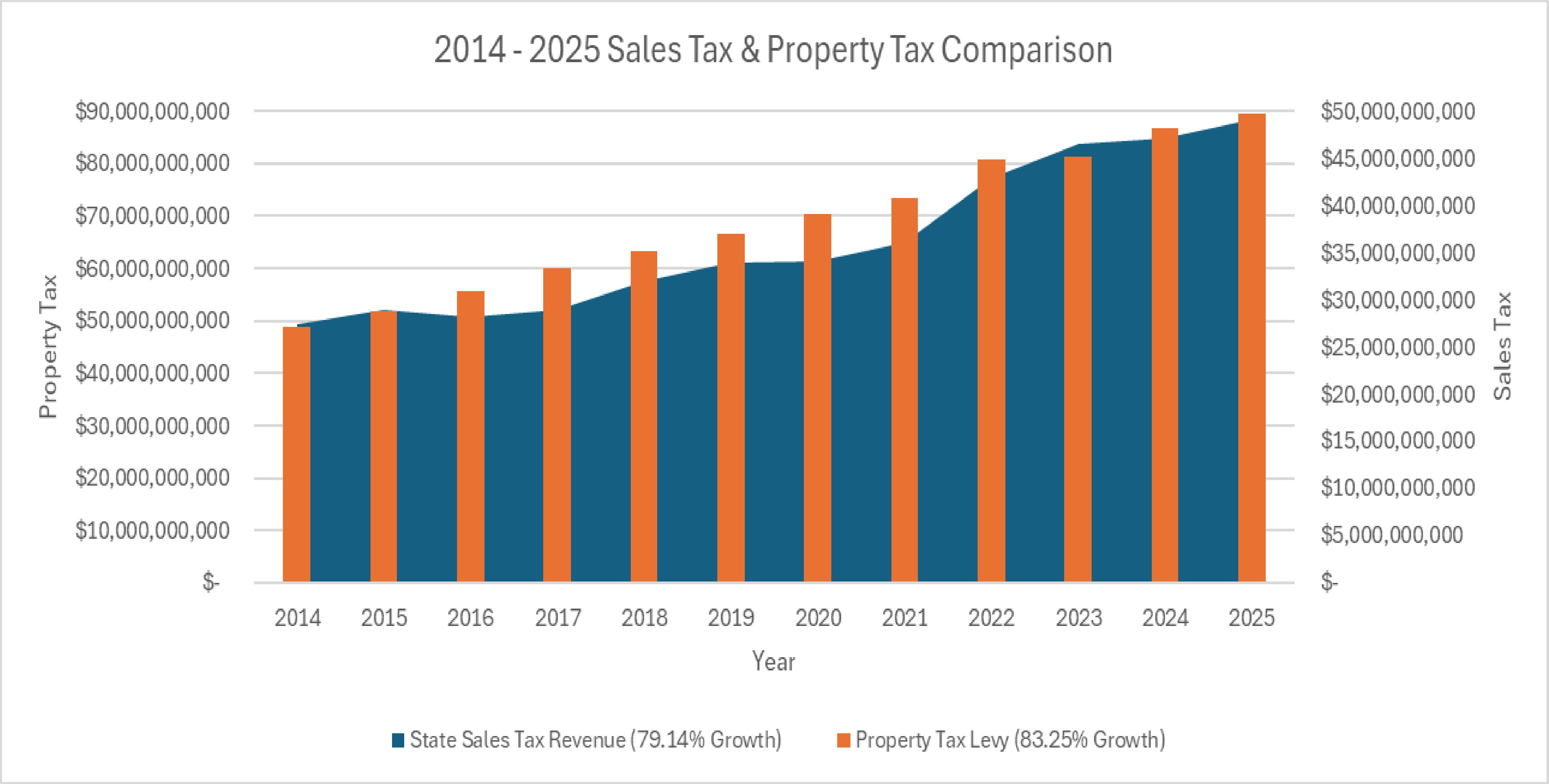
State Sales Tax and Property Tax Comparison

Data from Comptroller of Public Accounts website

	2014	2015	2016	2017
State Sales Tax Revenue	$27,385,709,000	$28,910,857,000	$28,245,801,000	$28,900,035,000
Property Tax Levy	$48,812,285,265	$51,862,320,565	$55,624,273,550	$60,143,833,455

	2018	2019	2020	2021
State Sales Tax Revenue	$31,937,235,000	$34,023,916,000	$34,099,115,000	$36,019,605,000
Property Tax Levy	$63,199,364,801	$66,545,088,989	$70,499,814,874	$73,537,178,149

	2022	2023	2024	2025	**% Increase**
State Sales Tax Revenue	$42,971,904,000	$46,581,072,000	$47,159,947,000	$49,058,906,000	**79.14%**
Property Tax Levy	$80,789,982,293	$81,443,737,923	$86,817,791,385	$89,446,084,843	**83.25%**


2014 - 2025 Sales Tax & Property Tax Comparison
Property Tax
$90,000,000,000
$80,000,000,000
$70,000,000,000
$60,000,000,000
$50,000,000,000
$40,000,000,000
$30,000,000,000
$20,000,000,000
$10,000,000,000
$-
Sales Tax
$50,000,000,000
$45,000,000,000
$40,000,000,000
$35,000,000,000
$30,000,000,000
$25,000,000,000
$20,000,000,000
$15,000,000,000
$10,000,000,000
$5,000,000,000
$-
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Year
State Sales Tax Revenue (79.14% Growth)
Property Tax Levy (83.25% Growth)

Conclusions

- The Legislature, under the leadership of Lt. Gov. Patrick and Speaker Burrows, has made significant strides since 2019 in reducing ISD property tax bills for Homesteads and Over 65/Disabled homeowners with voter approval of constitutional amendments and Gov. Abbott signing SB 4 and SB 23 in Denton on June 16th, plus continued M&O tax rate compression.
- Almost **61%** of Over 65/Disabled Homesteads are paying $0 ISD property tax bills. General Homestead ISD property tax bills are down **13.57%** statewide and Over 65/Disabled ISD property tax bills are down **32.72%** statewide.
- Comptroller shows total statewide ISD levies **decreased** from $41.66B in 2024 to $41.65B in 2025, a slight reduction.
- All information, unless otherwise indicated, collected by the Office of State Senator Paul Bettencourt. Special thanks to the Senate Local Government Committee staff, Ross Leake and David Clark for their dedicated work on this first-time ever statewide homestead exemption data collection project.