

- SUBJECT:** Excluding chicken coops, rabbit pens from market value of property
- COMMITTEE:** Ways and Means — committee substitute recommended
- VOTE:** 10 ayes — Meyer, Thierry, Button, Guerra, Martinez Fischer, Murphy, Noble, Rodriguez, Sanford, Shine
- 1 nay — Cole
- WITNESSES:** For — (*Registered, but did not testify:* Wayne Hamilton, Lodi Pines, LLC; Rick Dennis, Texas Association of Property Tax Professionals)
- Against — (*Registered, but did not testify:* Ender Reed, Harris County Commissioners Court; Julie Wheeler, Travis County Commissioners Court)
- On — (*Registered, but did not testify:* Shannon Murphy, Comptroller of Public Accounts)
- BACKGROUND:** Some have suggested that certain improvements used for the noncommercial production of food for personal consumption should be excluded from the market value of real property for tax purposes since those improvements are similar to trade fixtures, which are excluded under current law.
- DIGEST:** CSHB 2535 would require the chief appraiser, in determining the market value of real property for taxation, to exclude the value of chicken coops or rabbit pens used for the noncommercial production of food for personal consumption.
- The bill would take effect January 1, 2022, and would apply only to the appraisal of property for a tax year on or after that date.
- NOTES:** According to the Legislative Budget Board, the bill could reduce taxable property values, which would reduce property tax revenue for local

governments and increase costs to the Foundation School fund through the operation of the school finance formulas. However, because the number of backyard chicken and rabbit projects for personal consumption is unknown, the cost cannot be determined.