

SUBJECT:	Prohibiting the Legislature from imposing a death or transfer tax
COMMITTEE:	Ways & Means — favorable, without amendment
VOTE:	<p>11 ayes — Meyer, Bernal, Button, Capriglione, Gervin-Hawkins, Hickland, Muñoz, Noble, V. Perez, Troxclair, Vasut</p> <p>1 nay — Martinez Fischer</p> <p>1 absent — Turner</p>
WITNESSES:	<p>For — (<i>Registered, but did not testify</i>: Drew Fuller, Texas Farm Bureau)</p> <p>Against — (<i>Registered, but did not testify</i>: Fran Rhodes, True Texas Project)</p>
DIGEST:	<p>HJR 2 would amend the Texas Constitution to prohibit the Legislature from imposing a state tax on a deceased individual’s estate because of the individual’s death, including an estate, inheritance, or death tax. The Legislature also would be prohibited from imposing a state tax on the transfer of an estate, inheritance, legacy, succession, or gift from an individual, family member, estate, or trust, including generation-skipping transfers, if the tax was not in effect on January 1, 2025. HJR 2 would prohibit the Legislature from increasing the tax rate or expanding the applicability to new parties of a transfer tax that was in effect on January 1, 2025.</p> <p>HJR 2 would not prohibit the imposition or change in the rate or applicability of:</p> <ul style="list-style-type: none"><li>• general business taxes based on business activity;</li><li>• mineral production taxes;</li><li>• taxes on the issuance of title insurance;</li><li>• taxes in effect on January 1, 2016;</li><li>• motor vehicle gift transfer taxes; or</li></ul>

- ad valorem property taxes.

The ballot proposal would be presented to voters at an election on November 4, 2025, and would read: “The constitutional amendment to prohibit the legislature from imposing death taxes applicable to a decedent’s property or the transfer of an estate, inheritance, legacy, succession, or gift.”

**SUPPORTERS  
SAY:**

HJR 2 would ensure that no death tax could be imposed in Texas by creating a constitutional prohibition, which would help guarantee that heirs and beneficiaries could continue to retain property and assets after the passing of a loved one. Death taxes can be burdensome and could lead to estate-planning and tax-avoidance strategies that are inefficient. The money that a person leaves at their death has already been taxed once, and the government should be limited in the number of times it can tax the same assets. Although Texas does not currently have a death tax, HJR 2 would ensure that future legislatures could not institute one.

**CRITICS  
SAY:**

Amending the state Constitution to prohibit a death tax that does not currently exist could hinder future legislatures from acting in the best interest of the state and lead to unintended consequences. Constitutional amendments should be reserved for the most critical matters concerning the state, and there is currently no proposal in the Legislature to institute a death tax.

**NOTES:**

According to the Legislative Budget Board, HJR 2 would have no cost to the state other than the cost of publication, which would be \$191,689.