

## HB 9 (2025) QUESTIONS

1. What does “aggregation” in Section 11.145, Tax Code, refer to?
  - a. Aggregation refers to the grouping of values of related or unified business entities to determine the total value to apply the \$125,000 exemption.
  - b. Applying the \$125,000 exemption to the “aggregation of accounts” equates to distributing the \$125,000 exemption across multiple accounts.
2. How should the \$125,000 exemption be distributed across multiple accounts?
  - a. The CAD determines the order or method of distributing the \$125,000 exemption across multiple accounts.
3. When the \$125,000 exemption is distributed across multiple accounts and one or more of the accounts is reduced in value through a value settlement or correction, is the CAD required to re-allocate the exemption among all the accounts to maximize the exemption?
  - a. Before certification, the CAD should reallocate the exemption across the group of accounts, as necessary, so the full \$125,000 exemption is utilized.
  - b. Although not required, the CAD should also reallocate the exemption across the group of accounts after certification, as necessary, so the full \$125,000 exemption is utilized.
4. Should the aggregated market value of all related business entities at a location be used to determine if an account is required to render?
  - a. Yes, each business is required to render if the total market value of assets owned by all related business entities at the same location is greater than \$125,000.
5. What does “location” mean in Section 11.145?
  - a. “Location” means the property's physical location. *HCAD v. ETC Marketing*, 399 S.W.3d 364, 370 (Tex.App.—Houston [14th Dist.] 2013, pet. denied). The physical address is probably the best indication of the property’s physical location.
6. If the owner has multiple businesses in the county under \$125,000 and provided a statement certifying each value as below the exemption amount, but also has one or more businesses in the county over \$125K, are they required to render every property? What about the following year?
  - a. Yes, if the owner is required to render, it must render all its property that has taxable situs in the appraisal district unless the property is exempt under another provision of law other than Section 11.154.
7. If the account is required to render and fails to do so, but the final value of an account is less than the exemption amount, would a rendition penalty apply?
  - a. Yes and no, the rendition penalty would apply, but the taxable value would be \$0, so no rendition penalty would be calculated – 10% of \$0 is \$0.
8. If the person elects not to render by providing a statement certifying the value below the exemption amount, are they required to render in future years?
  - a. No, they are not required to render unless required to do so by the chief appraiser or the value of their property exceeds \$125,000.
  - b. There is no application requirement to receive the exemption. If they do not render, the \$125,000 exemption should still be applied by the appraisal district.

9. How would the \$125,000 exemption be applied to accounts with split jurisdictions?  
Example: A 50/50 split where the market value for each Independent School District (ISD) is \$200,000.
  - a. The \$125,000 exemption should be fully applied to each jurisdiction
10. How should the \$125,000 exemption be applied to an account with allocation based on use in the state, such as vehicles, vessels, aircraft, etc., with miles, days, departures, etc., used to calculate the state's portion? Should it be based on pre-allocated or post-allocated value?
  - a. Post-allocated value, the exemption should apply to the portion of the property valued.
11. Does this exemption apply to dealer inventory accounts?
  - a. Yes, the exemption applies to dealer inventory accounts. The county escrow will likely be more than sufficient to pay the taxes due, and the county will keep any overages in the escrow.
12. Will the exemption apply to hotels where the value of the BPP is included in the overall value of the property and not rendered separately?
  - a. No, if the BPP value is included in the overall value of the property and not rendered separately, the exemption is not applied.
13. Would an account for dumpsters at various locations throughout the county receive the exemption for each location?
  - a. No, if the dumpsters are owned and not leased, and the owner of the dumpsters does not own or lease the space occupied by the equipment, the account would receive the exemption once for each jurisdiction.
14. Should accounts for products stored in warehouses, pipe yards, etc., be considered as leasing the space where the product is stored?
  - a. Yes, the space is leased for the storage of personal property.
15. Should cellular equipment on a tower where the space on the tower is leased from an unrelated business entity be considered leased space for this exemption?
  - a. Yes, each location where the equipment is located and the space is leased would receive the \$125,000 exemption.
16. Should utility accounts for continuous lines of cable, fiber optic, pipelines, electric transmission lines, etc., be considered as leasing the space where the utilities are located?
  - a. No, an easement is not a lease. The utility owner does not own or lease the space occupied by the equipment. The account would receive the exemption once for each jurisdiction.
17. Would an account for gas meters with unique location addresses receive the exemption for each meter?
  - a. No, an easement is not a lease. The equipment owner does not own or lease the space occupied by the equipment. The account would receive the exemption once for each jurisdiction.
18. Will the exemption apply to non-producing oil & gas wells that are equipment value only?
  - a. Yes, if the equipment is timely rendered as personal property.