



# Dan Patrick

Lieutenant Governor of Texas  
President of the Senate

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## **Lt. Gov. Dan Patrick: Statement on the Unanimous Passage of Senate Bills 2 and 3 – Property and Franchise Tax Relief**

AUSTIN - Lt. Gov. Dan Patrick issued this statement today following the Texas Senate's unanimous passage of Senate Bills 2 and 3, Property and Franchise Tax Relief, by Sen. Paul Bettencourt, R-Houston:

"I have been fighting for property tax relief at the Texas Capitol since 2003, 4 years before I was elected to the Senate, and I have not stopped since then. When I took office as Lt. Governor in 2015, the homestead exemption was \$15,000, and my goal was to increase it to \$100,000. In 2015, we increased it to \$25,000. In 2021, we increased it to \$40,000. This session, our record budget surplus gave us the opportunity to increase the homestead exemption to \$100,000.

"Today is a historic day in Texas as the Senate unanimously passed Senate Bill 2, authored by Sen. Paul Bettencourt, R-Houston, the largest property tax cut in Texas history, and likely the world. Senate Bill 2 increases the homestead exemption to \$100,000 for homeowners under age 65 and to \$110,000 for homeowners over age 65. The average home value in Texas is \$330,000, and a homeowner living in that home will receive a yearly permanent tax cut of \$1,250 to \$1,450 as long as they live in a homestead property. Over the life of a typical 25-year mortgage, homeowners could save between \$25,000 and \$30,000.

"According to the Texas Taxpayers and Research Association, the average home value in 397 of the state's 1,014 school districts is less than \$100,000, meaning that with the increased homestead exemption passed in SB 2, homeowners with a home value of \$100,000 and under would no longer pay school property taxes.

"In addition, during the regular session, I also prioritized giving relief to small and mid-sized businesses. Senate Bill 3 increases the threshold before small businesses are required to pay and file franchise taxes. 67,000 small businesses will no longer be burdened by the franchise tax all together so our businesses can continue to grow jobs and power the Texas economy forward.

“I thank all 31 senators for their continued commitment to delivering record-setting property tax relief. We were committed to the \$100,000 homestead exemption. I thank Speaker Phelan and the Texas House for supporting Senate Bill 2. I especially thank Sen. Bettencourt for his tireless work on Senate Bill 2 and Senate Bill 3. The Senate looks forward to the Texas House’s swift passage of Senate Bill 2 and Senate Bill 3 tomorrow.”

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