

BILL SUMMARY
1st Session of the 60th Legislature

Bill No.:	HB1834
Version:	SUBREC
Request Number:	12836
Author:	Rep. Hefner
Date:	3/03/2025
Impact:	Please see previous summary of this measure

Research Analysis

The subcommittee recommendation for HB1834 establishes an income tax deduction for contributions to a disaster savings accounts beginning tax year 2026. Any interest earned by the account or distribution that is used to cover qualified disaster expenses is also exempt from state income taxes.

A taxpayer with an insurance deductible that is less than \$1000 may contribute up to \$2000 to the account. Those with an insurance deductible greater than \$1000 may contribute up to \$15,000. A taxpayer that self-insures and has no homeowners insurance may contribute up to \$350,000 or the value of their legal residence, whichever is less. These contributions limits will increase every year by 5 percent.

The measure defines *disaster savings account* as a regular savings account or money market account established by an insurance policyholder for residential property to cover an insurance deductible and other costs related to hurricanes, rising floodwaters, tornadoes, hail, or other catastrophic windstorm event damage.

Prepared By: Quyen Do

Fiscal Analysis

The measure is currently under review and impact information will be completed.

Prepared By: House Fiscal Staff

Other Considerations

None.