



<b>BILL/VERSION:</b>	SB 1121 / INTRODUCED	<b>ANALYST:</b> EC
<b>AUTHORS:</b>	Sen. Deevers	<b>DATE:</b> 2/12/2025
<b>TAX(ES):</b>	Ad Valorem Tax	
<b>SUBJECT(S):</b>	Elimination Committee	
<b>EFFECTIVE DATE:</b>	November 1, 2025	<b>Emergency</b> <input type="checkbox"/>

**ESTIMATED REVENUE IMPACT:**

**FY26: None.**

**FY27: None.**

**ANALYSIS:** SB 1121 proposes the creation of the Joint Interim Committee on the Elimination of Ad Valorem Taxes. The committee will consist of 10 members, 5 from the Senate and 5 from the House of Representatives, designated by legislative leadership. Its primary role is to study and evaluate alternative taxation methods to replace revenue lost from eliminating ad valorem taxes, as proposed by SJR 12.

The committee must submit its findings and recommendations to the Legislature by July 1, 2028, and will be dissolved on January 1, 2030. The bill is set to take effect on November 1, 2025, but only if SJR 12 becomes law. The proposed committee does not affect state or local revenues. However, it is relevant to note that ad valorem taxes provide roughly \$5 billion in annual tax revenue to local jurisdictions.

2/12/25  
DATE

Huan Gong  
DR. HUAN GONG, CHIEF TAX ECONOMIST

2/12/25  
DATE

Marie Schuble  
MARIE SCHUBLE, DIVISION DIRECTOR

2/13/25  
DATE

Joseph P. Gappa  
JOSEPH P. GAPPA, FOR THE COMMISSION

*The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.*