



Ordinance Amending Title 3 El Paso Municipal Code, (Revenue and Finance)

August 5, 2025

Ordinance Amending Title 3 El Paso Municipal Code

- Chapter 3.04 (Property Taxes)
 - 3.04.040 (Exemption – Residence Homestead)

Texas Tax Code

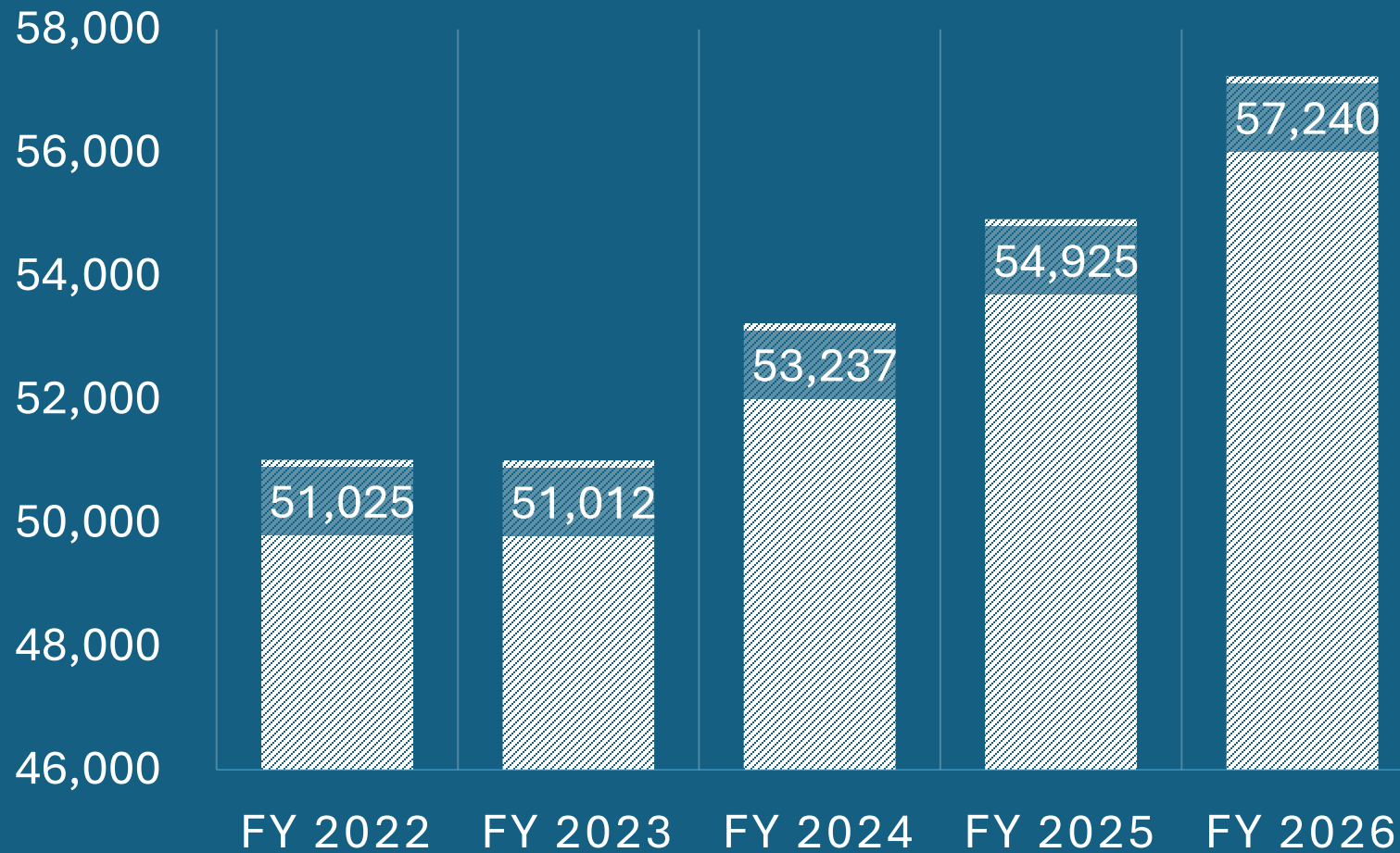
Sec. 11.13(d) Residence Homestead

- Included in the FY 2026 Budget is the recommendation to increase the City's homestead exemption for Over 65 and Disabled from \$42,500 to \$45,000

History of Over 65 and Disabled Homestead Tax Exemptions

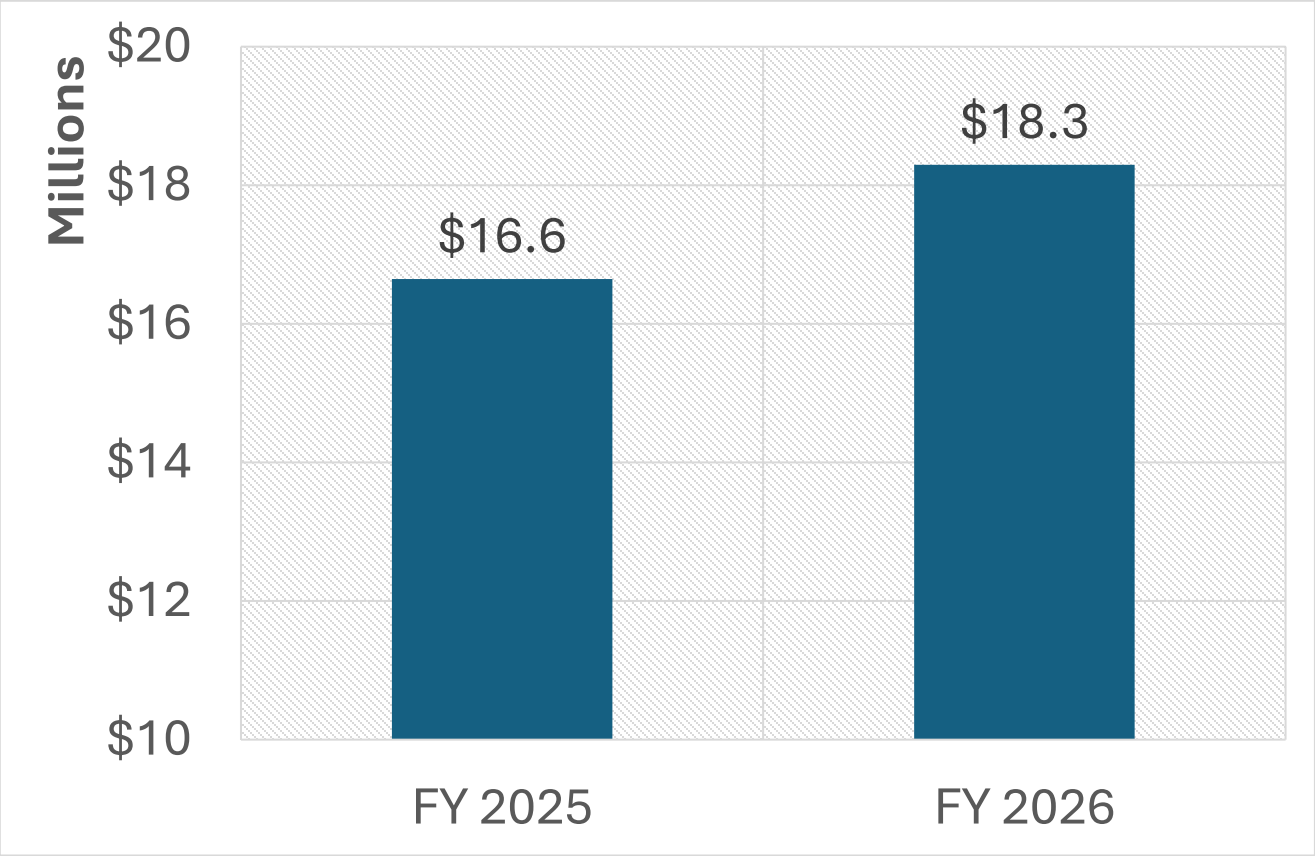
- January 1, 2006 – City code amended to provide a \$30,000 exemption
- Effective January 1, 2015 exemption increased from \$30,000 to \$40,000
- Effective January 1, 2021 exemption increased from \$40,000 to \$42,500

OF OVER 65/DISABLED HOMESTEADS



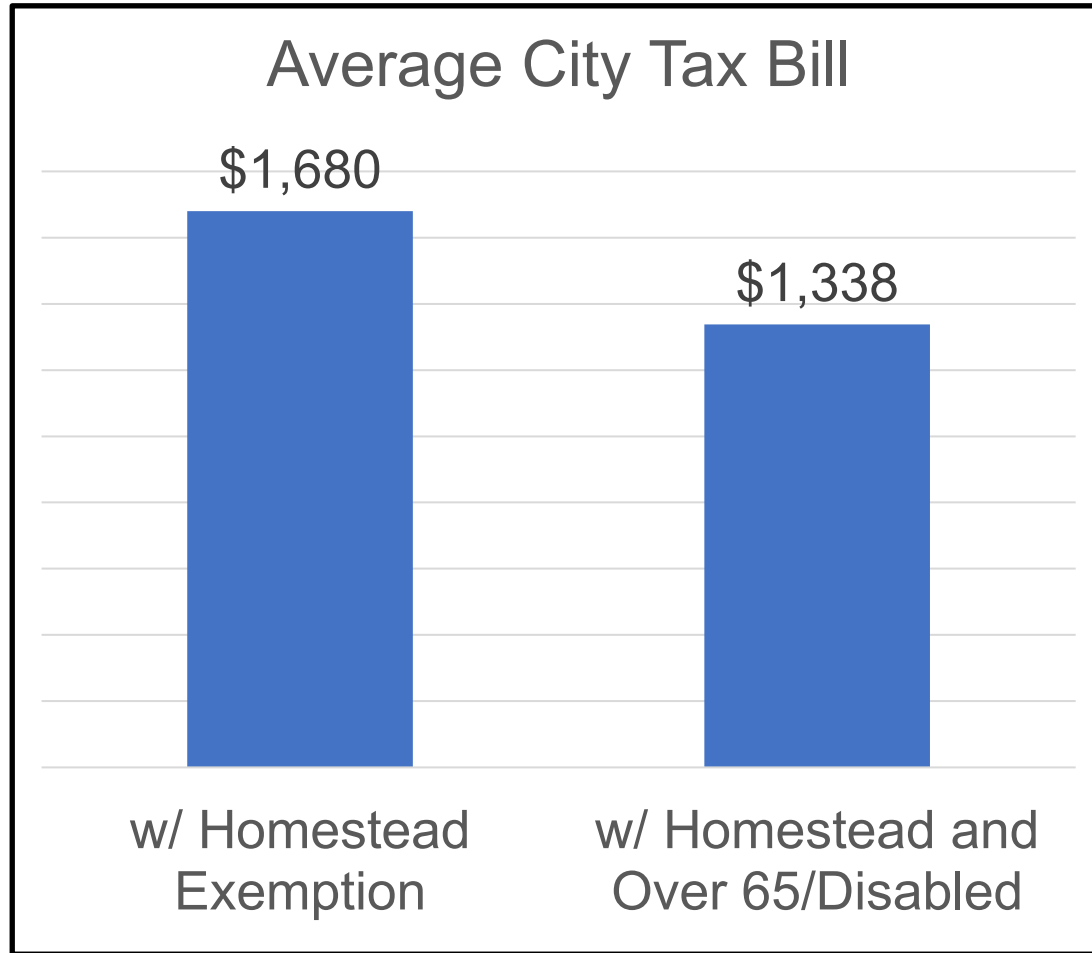
- Equals 41% of the City's total homesteads that have either the Over 65 or Disabled exemption

Over 65/Disabled Property Tax Relief (City Cost to Provide)



- \$1.6 million, or 10%, increase for FY 2026

FY 2026 Avg. City Tax Bill



Over 65/Disabled exemption:

- Equates to a 20% reduction on the avg. tax bill
- Tax savings increases by \$18, from \$324 to \$342

Recommendation

- Ordinance to amend Title 3 of the El Paso Municipal Code, Chapter 3.04.040 (Exemption – Residence Homestead) to increase the ad valorem property tax exemption for individuals over 65 and disabled from \$42,500 to \$45,000 of the market value of the residence homestead to be effective January 1, 2025 (effective for tax bills mailed out in October 2025)