

BILL ANALYSIS

Senate Research Center
78R2378 RCJ-D

S.B. 657
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Finance
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DIGEST AND PURPOSE

Currently, the calculation of the tax rate for a taxing entity includes the total appraised value and all taxes imposed for all real property within the jurisdiction of that entity, even property that the entity has agreed to pay into the tax increment fund for a reinvestment zone. The 77th Legislature enacted legislation to exclude “captured appraised value” and the resulting “tax increment” for property in reinvestment zones from tax rate calculations, but the exclusion was limited to counties with a populations of less than 500,000. As proposed, S.B. 657 repeals Section 26.03(b), Tax Code, which limits the applicability of the section to a taxing unit, other than a school district, located in a county with a population of less than 500,000.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Repealer: Section 26.03(b), Tax Code (Applies to a taxing unit, other than a school district, that is located in a county with a population of less than 500,000.)

SECTION 2. Effective date: January 1, 2004.

Makes application of this Act prospective.