

By: Eiland

H.B. No. 925

A BILL TO BE ENTITLED

AN ACT

relating to the rollback tax rate for certain taxing units.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 26, Tax Code, is amended by adding Section 26.042 to read as follows:

Sec. 26.042. ROLLBACK TAX RATE FOR TAXING UNITS WITH LOW TAX LEVIES. (a) This section applies only to a taxing unit to which Section 26.052 applies, except that, if the taxing unit adopts a tax rate in an amount that, had the taxing unit originally proposed that tax rate, would have made Section 26.052 inapplicable to the taxing unit, the rollback tax rate for the taxing unit is calculated as if this section did not apply to the unit.

(b) The rollback tax rate for a taxing unit to which this section applies is calculated according to the applicable formula for the calculation of the rollback tax rate otherwise provided by this chapter, except that the factor by which the effective maintenance and operations rate or last year's maintenance and operations expense, as applicable, is multiplied in that formula is 1.10 instead of 1.08.

SECTION 2. This Act takes effect January 1, 2004, and applies only to taxes imposed for a tax year that begins on or after that date.