

Amend **HB 3** as follows:

(1) On page 9, line 11, strike "\$22,500" and substitute "\$45,000".

(2) On page 9, line 12, strike "\$17,500" and substitute "\$30,000".

(3) On page 10, line 22, strike "\$7,500" and substitute "\$30,000".

(4) On page 12, line 2, strike "\$7,500" and substitute "\$30,000".

(5) On page 14, line 2, strike "\$22,500" and substitute "\$45,000".

(6) On page 14, between lines 18 and 19, insert the following appropriately numbered section and renumber subsequent sections accordingly:

SECTION 1D.____. Section 26.08, Tax Code, is amended by adding Subsections (n) - (p) to read as follows:

(n) For purposes of Subsection (o), each chief appraiser shall certify to the assessor for each school district participating in the appraisal district:

(1) a final value for the school district as computed using a residence homestead exemption under Section 1-b(c), Article VIII, Texas Constitution, in the amount of \$15,000; and

(2) a final value for the school district as computed:

(A) using a residence homestead exemption under Section 1-b(c), Article VIII, Texas Constitution, in the amount of \$45,000; and

(B) taking into account the effect of the reduction in the limitation on tax increases under Section 1-b(d), Article VIII, Texas Constitution, made in connection with the increase in the residence homestead exemption to the amount described by Paragraph (A).

(o) Notwithstanding any other provision of this section to the contrary, for the 2006 tax year the governing body of a school district shall adopt a maintenance and operations tax rate that, when applied to the district's taxable value of property certified

under Subsection (n)(2), yields an amount equal to the amount that would be raised at a tax rate adopted in compliance with the provisions of this section other than this subsection when applied to the district's taxable value of property certified under Subsection (n)(1). For the 2006 tax year, the rollback tax rate of the district calculated under Subsection (i) or (k) is increased by the additional rate required to yield the amount required by this subsection.

(p) A maintenance and operations tax rate limitation imposed by Section 45.003, Education Code, does not apply to a tax rate adopted by the governing body of a school district in compliance with this section for the 2006 tax year or for a subsequent tax year.