

By: Frost

H.B. No. 109

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the authority of school districts to enter into
3 property tax abatement agreements in connection with closed or
4 realigned military facilities.

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

6 SECTION 1. Section 312.002, Tax Code, is amended by
7 amending Subsection (g) and adding Subsection (h) to read as
8 follows:

9 (g) "Taxing unit" has the meaning assigned by Section 1.04[
10 ~~except that for a tax abatement agreement executed on or after~~
11 ~~September 1, 2001, the term does not include a school district that~~
12 ~~is subject to Chapter 42, Education Code, and that is organized~~
13 ~~primarily to provide general elementary and secondary public~~
14 ~~education].~~

15 (h) Notwithstanding Subsection (f), a school district has
16 the same authority to enter into a tax abatement agreement under
17 this chapter as a taxing unit other than a municipality or county if
18 the property that is the subject of the proposed agreement:

19 (1) was part of a military base or other military
20 facility that was realigned or closed; and

21 (2) was exempt from property taxation while it was
22 owned by the person from whom the current owner acquired it.

23 SECTION 2. Section 403.302(d), Government Code, is amended
24 to read as follows:

1 (d) For the purposes of this section, "taxable value" means
2 the market value of all taxable property less:

3 (1) the total dollar amount of any residence homestead
4 exemptions lawfully granted under Section 11.13(b) or (c), Tax
5 Code, in the year that is the subject of the study for each school
6 district;

7 (2) one-half of the total dollar amount of any
8 residence homestead exemptions granted under Section 11.13(n), Tax
9 Code, in the year that is the subject of the study for each school
10 district;

11 (3) the total dollar amount of any exemption
12 [~~exemptions~~] granted [~~before May 31, 1993,~~] within a reinvestment
13 zone under an agreement [~~agreements~~] authorized by Chapter 312, Tax
14 Code, if the exemption was granted:

15 (A) before May 31, 1993; or

16 (B) under the authority of Section 312.002(h),
17 Tax Code;

18 (4) subject to Subsection (e), the total dollar amount
19 of any captured appraised value of property that:

20 (A) is within a reinvestment zone created on or
21 before May 31, 1999, or is proposed to be included within the
22 boundaries of a reinvestment zone as the boundaries of the zone and
23 the proposed portion of tax increment paid into the tax increment
24 fund by a school district are described in a written notification
25 provided by the municipality or the board of directors of the zone
26 to the governing bodies of the other taxing units in the manner
27 provided by Section 311.003(e), Tax Code, before May 31, 1999, and

1 within the boundaries of the zone as those boundaries existed on
2 September 1, 1999, including subsequent improvements to the
3 property regardless of when made;

4 (B) generates taxes paid into a tax increment
5 fund created under Chapter 311, Tax Code, under a reinvestment zone
6 financing plan approved under Section 311.011(d), Tax Code, on or
7 before September 1, 1999; and

8 (C) is eligible for tax increment financing under
9 Chapter 311, Tax Code;

10 (5) the total dollar amount of any exemptions granted
11 under Section 11.251, Tax Code;

12 (6) the difference between the comptroller's estimate
13 of the market value and the productivity value of land that
14 qualifies for appraisal on the basis of its productive capacity,
15 except that the productivity value estimated by the comptroller may
16 not exceed the fair market value of the land;

17 (7) the portion of the appraised value of residence
18 homesteads of individuals who receive a tax limitation under
19 Section 11.26, Tax Code, on which school district taxes are not
20 imposed in the year that is the subject of the study, calculated as
21 if the residence homesteads were appraised at the full value
22 required by law;

23 (8) a portion of the market value of property not
24 otherwise fully taxable by the district at market value because of:

25 (A) action required by statute or the
26 constitution of this state that, if the tax rate adopted by the
27 district is applied to it, produces an amount equal to the

1 difference between the tax that the district would have imposed on
2 the property if the property were fully taxable at market value and
3 the tax that the district is actually authorized to impose on the
4 property, if this subsection does not otherwise require that
5 portion to be deducted; or

6 (B) action taken by the district under Subchapter
7 B or C, Chapter 313, Tax Code;

8 (9) the market value of all tangible personal
9 property, other than manufactured homes, owned by a family or
10 individual and not held or used for the production of income;

11 (10) the appraised value of property the collection of
12 delinquent taxes on which is deferred under Section 33.06, Tax
13 Code;

14 (11) the portion of the appraised value of property
15 the collection of delinquent taxes on which is deferred under
16 Section 33.065, Tax Code; and

17 (12) the amount by which the market value of a
18 residence homestead to which Section 23.23, Tax Code, applies
19 exceeds the appraised value of that property as calculated under
20 that section.

21 SECTION 3. This Act takes effect immediately if it receives
22 a vote of two-thirds of all the members elected to each house, as
23 provided by Section 39, Article III, Texas Constitution. If this
24 Act does not receive the vote necessary for immediate effect, this
25 Act takes effect September 1, 2006.