

By: Wong

H.J.R. No. 36

A JOINT RESOLUTION

1 proposing a constitutional amendment authorizing the governing  
2 body of a school district to establish for purposes of ad valorem  
3 taxation by the school district a limitation on the maximum average  
4 annual percentage increase in the appraised value of real property  
5 in the school district.

6 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Section 1, Article VIII, Texas Constitution, is  
8 amended by adding Subsections (i-1) and (i-2) to read as follows:

9 (i-1) Notwithstanding Subsections (a) and (b) of this  
10 section, the governing body of a school district may establish for  
11 purposes of ad valorem taxation by the district a limitation on the  
12 maximum average annual percentage increase in the appraised value  
13 of real property in the district that is less than 10 percent but  
14 not less than five percent. If a school district establishes a  
15 limitation under this subsection applicable to a tax year for which  
16 the Legislature has enacted a limitation under Subsection (i) of  
17 this section, the lower percentage limitation applies to ad valorem  
18 taxation of residence homesteads by the school district. If the  
19 governing body of a school district establishes a limitation on  
20 appraisal increases under this subsection, that limitation remains  
21 in effect until amended, repealed, or rescinded by the governing  
22 body. An amendment, repeal, or rescission of the limitation may not  
23 take effect before January 1 of the tax year following the year in  
24 which the amendment, repeal, or rescission is made.

1       (i-2) A limitation on appraisal increases authorized by  
2 Subsection (i-1) of this section:

3           (1) takes effect:

4               (A) in the tax year following the first tax year  
5 in which the owner owns the property on January 1; or

6               (B) in the tax year following the tax year in  
7 which the owner acquires the property if the property qualifies for  
8 an exemption as the residence homestead of the owner under Section  
9 1-b of this article in the tax year in which the owner acquires the  
10 property; and

11           (2) expires on January 1 of the first tax year  
12 following the tax year in which the owner of the property when the  
13 limitation took effect ceases to own the property, except that the  
14 Legislature by general law may provide for the limitation  
15 applicable to a residence homestead to continue during ownership of  
16 the property by the owner's spouse or surviving spouse.

17       SECTION 2. This proposed constitutional amendment shall be  
18 submitted to the voters at an election to be held November 7, 2006.  
19 The ballot shall be printed to permit voting for or against the  
20 proposition: "The constitutional amendment authorizing the  
21 governing body of a school district to establish for purposes of ad  
22 valorem taxation by the school district a limitation on the maximum  
23 average annual percentage increase in the appraised value of real  
24 property in the school district that is less than 10 percent but not  
25 less than five percent."