

By: Leibowitz

H.B. No. 819

A BILL TO BE ENTITLED

AN ACT

relating to property tax relief and protection of taxpayers.

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

SECTION 1. Section 45.003, Education Code, is amended by amending Subsection (d) and adding Subsections (e) and (f) to read as follows:

(d) A proposition submitted to authorize the levy of maintenance taxes must include the question of whether the governing board or commissioners court may levy, assess, and collect annual ad valorem taxes for the further maintenance of public schools, at a rate not to exceed the rate, which may be not more than \$1.00 [~~\$1.50~~] on the \$100 valuation of taxable property in the district, stated in the proposition.

(e) An election held before January 1, 2006, authorizing a maintenance tax at a rate of at least \$1.00 on the \$100 valuation of taxable property in the district is sufficient to authorize a rate not to exceed \$1.00.

(f) A district permitted by special law on January 1, 2006, to impose an ad valorem tax at a rate greater than \$1.50 may continue to impose a rate that is \$0.50 less than the rate previously authorized.

SECTION 2. Section 23.23(a), Tax Code, is amended to read as follows:

(a) The appraised value of a residence homestead for a tax

year may not exceed the lesser of:

(1) the market value of the property; or

(2) the sum of:

(A) three [~~10~~] percent of the appraised value of the property for the last year in which the property was appraised for taxation times the number of years since the property was last appraised;

(B) the appraised value of the property for the last year in which the property was appraised; and

(C) the market value of all new improvements to the property.

SECTION 3. (a) Section 1 of this Act applies only to the maintenance tax rate of a school district for a tax year that begins on or after the effective date of this Act.

(b) Section 2 of this Act applies only to the appraisal for ad valorem tax purposes of residence homesteads for a tax year that begins on or after the effective date of this Act.

SECTION 4. (a) Except as provided by Subsection (b) of this section, this Act takes effect January 1, 2006.

(b) Section 2 of this Act takes effect on the date provided by Subsection (a) of this section only if the constitutional amendment proposed by the 79th Legislature, Regular Session, 2005, to authorize the legislature to limit the maximum average annual increase in the appraised value of a residence homestead for ad valorem tax purposes to three percent or more is approved by the voters. If that amendment is not approved by the voters, this Act has no effect.