

By: Villarreal, Bohac

H.B. No. 2326

Substitute the following for H.B. No. 2326:

By: Uresti

C.S.H.B. No. 2326

A BILL TO BE ENTITLED

AN ACT

relating to the appraisal for ad valorem tax purposes of property located in more than one appraisal district.

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

SECTION 1. Section 6.02(a), Tax Code, is amended to read as follows:

The ~~[(a) Except as otherwise provided by this section, the]~~ appraisal district's boundaries are the same as the county's boundaries. This section does not preclude the boards of directors of two or more adjoining appraisal districts from providing for the operation of a consolidated appraisal district by interlocal contract.

SECTION 2. Section 41.097(a), Education Code, is amended to read as follows:

(a) The total amount required under Section 41.093 for a district to purchase attendance credits under this subchapter for any school year is reduced by an amount equal to the product of the district's total costs under Section 6.06, Tax Code, for the ~~[central]~~ appraisal district or districts in which it participates multiplied by a percentage that is computed by dividing the total amount required under Section 41.093 by the total amount of taxes imposed in the district for that year less any amounts paid into a tax increment fund under Chapter 311, Tax Code.

SECTION 3. Section 41.210(b), Education Code, is amended to

1 read as follows:

2 (b) As soon as practicable after the detachment and
3 annexation of property, the chief appraiser of the appraisal
4 district in which the property is located [~~for the school district~~
5 ~~from which the property is detached~~] shall send a written notice of
6 the detachment and annexation to the owner of any property taxable
7 in a different school district as a result of the detachment and
8 annexation. The notice must include the name of the school district
9 by which the property is taxable after the detachment and
10 annexation.

11 SECTION 4. The following statutes are repealed:

- 12 (1) Section 13.007, Education Code;
- 13 (2) Sections 6.02(b)-(g), Tax Code;
- 14 (3) Section 6.025, Tax Code; and
- 15 (4) Section 6.03(m), Tax Code.

16 SECTION 5. (a) The changes in law made by this Act relating
17 to the appraisal of property for ad valorem tax purposes apply only
18 to the appraisal of property for a tax year that begins on or after
19 January 1, 2006.

20 (b) The term of each appraisal district director in an
21 appraisal district described by Section 6.025, Tax Code, as that
22 law existed immediately before September 1, 2005, serving a
23 staggered term that but for this subsection would expire after
24 January 1, 2006, expires on January 1, 2006. The appraisal district
25 board of directors shall fill the vacant directorships as soon as
26 practicable after January 1, 2006, as provided by Section 6.03(1),
27 Tax Code.

1 (c) Notwithstanding Section 6.03, Tax Code, a taxing unit is
2 entitled to vote in 2005 for appraisal district directors for terms
3 beginning on January 1, 2006, in each appraisal district in which
4 the taxing unit will participate in 2006 under the law as amended by
5 this Act. The voting entitlement of each taxing unit entitled to
6 vote for directors in 2005 is determined for each appraisal
7 district by dividing the total dollar amount of property taxes
8 imposed by the taxing unit for the 2004 tax year in the county for
9 which the appraisal district is established by the sum of the total
10 dollar amount of property taxes imposed in that county for that year
11 by each taxing unit that is entitled to vote for directors of that
12 appraisal district under this subsection in 2005, by multiplying
13 the quotient by 1,000, and by rounding the product to the nearest
14 whole number. That number is multiplied by the number of
15 directorships to be filled. A taxing unit located in two or more
16 counties is entitled to vote in the appraisal district established
17 for each county in which it is located, but only the taxes imposed
18 in 2004 in the county for which a district is established are used
19 to calculate the 2005 voting entitlement in that district.

20 (d) Notwithstanding Section 6.06, Tax Code, not later than
21 September 15, 2005, the chief appraiser of each appraisal district
22 shall revise the proposed 2006 budget for the district, if
23 necessary, to account for the changes in law made by this Act.

24 (e) Notwithstanding Section 6.06, Tax Code, for the 2006 tax
25 year, each taxing unit participating in an appraisal district in
26 2006 is allocated a portion of the amount of the 2006 budget for the
27 district equal to the proportion that the total dollar amount of

1 property taxes imposed in the county for which the district is
2 established by the unit for the 2005 tax year bears to the sum of the
3 total dollar amount of property taxes imposed in the county by each
4 participating unit for that year. If a taxing unit participates in
5 two or more appraisal districts in 2006, only the 2005 taxes imposed
6 in the county for which a district is established are used to
7 calculate the unit's cost allocations for 2006 in that district.

8 SECTION 6. (a) Except as provided by Subsection (b) of this
9 section, this Act takes effect January 1, 2006.

10 (b) Section 5 of this Act takes effect September 1, 2005.