

By: Madla

S.B. No. 595

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the taxable property value under the public school
3 finance system of school districts not offering all grade levels.

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

5 SECTION 1. Section 42.106, Education Code, is amended to
6 read as follows:

7 Sec. 42.106. ADJUSTED PROPERTY VALUE FOR DISTRICTS NOT
8 OFFERING ALL GRADE LEVELS. For purposes of this chapter, the
9 taxable value of property of a school district that contracts for
10 students residing in the district to be educated in another
11 district under Section 25.039(a) is adjusted by applying the
12 formula:

13
$$\text{ADPV} = \text{DPV} - \frac{\text{TN}}{\text{MTR}} [(\frac{\text{TN}}{\text{MTR}} - .015)]$$

14 where:

15 "ADPV" is the district's adjusted taxable value of property;

16 "DPV" is the taxable value of property in the district for the
17 preceding tax year determined under Subchapter M, Chapter 403,
18 Government Code; ~~and~~

19 "TN" is the total amount of tuition required to be paid by the
20 district under Section 25.039 for the school year for which the
21 adjustment is made, not to exceed the amount specified by
22 commissioner rule under Section 25.039(b); and

23 "MTR" is the maximum maintenance tax rate permitted under
24 Section 45.003(d), expressed as a rate to be applied to the total

1 valuation of taxable property.

2 SECTION 2. This Act takes effect September 1, 2005.