

By: Ogden

S.J.R. No. 38

A JOINT RESOLUTION

1 proposing a constitutional amendment authorizing a state property
2 tax for public education, prohibiting school district property
3 taxes for maintenance purposes, and authorizing a school district
4 property tax for educational enrichment.

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

6 SECTION 1. Section 1-e, Article VIII, Texas Constitution,
7 is amended to read as follows:

8 Sec. 1-e. Except as provided by Section 3-a, Article VII, of
9 this constitution, no [No] State ad valorem taxes shall be levied
10 upon any property within this State.

11 SECTION 2. Article VII, Texas Constitution, is amended by
12 adding Section 3-a to read as follows:

13 Sec. 3-a. (a) The legislature by general law may authorize
14 the state to impose ad valorem taxes for elementary and secondary
15 public free school purposes on all taxable property at a rate not to
16 exceed \$1 for each \$100 of taxable value.

17 (b) During each regular legislative session, the
18 legislature by general law, including a provision in a general
19 appropriations act, shall establish the rate of the state ad
20 valorem tax for the current tax year and for the following tax year.
21 The tax rate must be the same for each of those tax years. For the
22 two tax years for which the legislature establishes a tax rate, the
23 tax rate may not exceed the rate that when applied to the taxable
24 value of property subject to state ad valorem taxes for the first of

1 the two tax years, less new property value as defined by general
2 law, would levy for that tax year an amount of state ad valorem
3 taxes that exceeds 105 percent of the amount of state ad valorem
4 taxes levied for the tax year preceding the preceding tax year. If
5 during any regular legislative session the legislature fails to
6 establish the state ad valorem tax rate, the state ad valorem tax
7 rate for the then current tax year and for the following tax year is
8 the tax rate established by the legislature for the two preceding
9 tax years.

10 (c) To promote economic development in this state, the
11 legislature by general law may grant exemptions or other relief
12 from state ad valorem taxes imposed by a law enacted under
13 Subsection (a) of this section.

14 (d) Notwithstanding Section 23, Article VIII, of this
15 constitution, the legislature may provide for the appraisal of
16 property subject to state ad valorem taxes, for the equalization of
17 the taxable values of that property, and for the collection of the
18 state ad valorem taxes imposed on that property.

19 (e) State ad valorem taxes shall be assessed on the
20 valuation of property subject to those taxes as determined by the
21 appraisal officials in the county in which the property is located.
22 If an appraisal official uses generally accepted appraisal
23 standards and practices to appraise property subject to the state
24 ad valorem tax and the valuation of the property subject to that tax
25 conforms to or is equalized by the local appraisal review process to
26 conform to the accepted standards and practices, the assessment of
27 a state ad valorem tax on that valuation is not invalid. This

1 subsection expires at the end of the 2006 ad valorem tax year.

2 SECTION 3. Section 1-j, Article VIII, Texas Constitution,
3 is amended by adding Subsections (d) and (e) to read as follows:

4 (d) Property described by Subsection (a) of this section is
5 not exempt from state ad valorem taxes imposed for elementary and
6 secondary public free school purposes unless expressly exempted by
7 a general law enacted after January 1, 2005.

8 (e) Notwithstanding Subsection (d) of this section,
9 property described by Subsection (a) of this section that is held at
10 a location at which property described by that subsection was
11 exempt from taxation by a school district in the 2005 tax year is
12 exempt from state ad valorem taxes imposed for elementary and
13 secondary public free school purposes.

14 SECTION 4. Section 3, Article VII, Texas Constitution, is
15 amended by amending Subsections (d) and (e) and adding Subsections
16 (f)-(i) to read as follows:

17 (d) The Legislature may provide for the formation of school
18 districts by general laws, and all such school districts may
19 embrace parts of two or more counties.

20 [~~(e)~~] The Legislature by general law may provide [~~shall be~~
21 ~~authorized to pass laws for the assessment and collection of taxes~~
22 ~~in all school districts and~~] for the management and control of the
23 public [~~school or~~] schools of such districts.

24 (e) A school district, as provided by general law, may
25 impose an ad valorem tax on taxable property in the district for the
26 purpose of providing an enriched educational program. The rate of
27 the enrichment tax may not exceed 15 cents for each \$100 of taxable

1 value. The Legislature may provide state funding to supplement the
2 yield of a tax levied under this subsection.

3 (f) The Legislature may provide for school districts to
4 impose an additional ad valorem tax on all taxable property in the
5 district~~[, whether such districts are composed of territory wholly~~
6 ~~within a county or in parts of two or more counties, and the~~
7 ~~Legislature may authorize an additional ad valorem tax to be levied~~
8 ~~and collected within all school districts for the further~~
9 ~~maintenance of public free schools, and]~~ for the erection and
10 equipment of school buildings.

11 (g) A school district may not impose a tax under Subsection
12 (e) or (f) of this section unless the tax is approved by ~~[therein,~~
13 ~~provided that]~~ a majority of the qualified voters of the district
14 voting at an election to be held for that purpose~~[, shall approve~~
15 ~~the tax]~~. An election held before January 1, 2006, to authorize an
16 ad valorem tax for the maintenance of the public schools of a
17 district does not authorize the imposition of an enrichment tax
18 under Subsection (e) of this section.

19 (h) The Legislature may pass laws for the creation of junior
20 college districts, the management and control of those districts,
21 and the imposition of ad valorem taxes in those districts. A junior
22 college district may not impose a tax under this subsection unless
23 the tax is approved by a majority of the qualified voters of the
24 district voting at an election held for that purpose. A junior
25 college district is not a school district for purposes of this
26 section.

27 (i) An ad valorem tax approved by the voters of a junior

1 college district under this section before November 8, 2005, is not
2 affected by the amendment of this section approved by the voters at
3 an election held on November 8, 2005, and the junior college
4 district is not required to hold a new election to authorize the
5 existing tax. This subsection expires January 1, 2006.

6 SECTION 5. Section 3-b, Article VII, Texas Constitution, is
7 amended to read as follows:

8 Sec. 3-b. No tax for the enrichment [~~maintenance~~] of public
9 free schools voted in any independent school district and no tax for
10 the maintenance of a junior college voted by a junior college
11 district, nor any bonds voted in any such district, but unissued,
12 shall be abrogated, cancelled, or invalidated by change of any kind
13 in the boundaries thereof. After any change in boundaries, the
14 governing body of any such district, without the necessity of an
15 additional election, shall have the power to assess, levy, and
16 collect ad valorem taxes on all taxable property within the
17 boundaries of the district as changed, for the purposes of the
18 enrichment [~~maintenance~~] of public free schools or the maintenance
19 of a junior college, as the case may be, and the payment of
20 principal of and interest on all bonded indebtedness outstanding
21 against, or attributable, adjusted, or allocated to, such district
22 or any territory therein, in the amount, at the rate, or not to
23 exceed the rate, and in the manner authorized in the district prior
24 to the change in its boundaries, and further in accordance with the
25 laws under which all such bonds, respectively, were voted; and such
26 governing body also shall have the power, without the necessity of
27 an additional election, to sell and deliver any unissued bonds

1 voted in the district prior to any such change in boundaries, and to
2 assess, levy, and collect ad valorem taxes on all taxable property
3 in the district as changed, for the payment of principal of and
4 interest on such bonds in the manner permitted by the laws under
5 which such bonds were voted. In those instances where the
6 boundaries of any such independent school district are changed by
7 the annexation of, or consolidation with, one or more whole school
8 districts, the taxes to be levied for the purposes hereinabove
9 authorized may be in the amount or at not to exceed the rate
10 theretofore voted in the district having at the time of such change
11 the greatest scholastic population according to the latest
12 scholastic census and only the unissued bonds of such district
13 voted prior to such change, may be subsequently sold and delivered
14 and any voted, but unissued, bonds of other school districts
15 involved in such annexation or consolidation shall not thereafter
16 be issued.

17 SECTION 6. This proposed constitutional amendment shall be
18 submitted to the voters at an election to be held November 8, 2005.
19 The ballot shall be printed to permit voting for or against the
20 proposition: "The constitutional amendment authorizing a state
21 property tax for public education, prohibiting school district
22 property taxes for maintenance purposes, and authorizing a school
23 district property tax for educational enrichment."