

By: Kolkhorst

H.B. No. 275

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the margin of error to be used by the comptroller of
3 public accounts in connection with the annual property value study
4 to determine whether the local value for a school district is valid.

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

6 SECTION 1. Section 403.302(c), Government Code, is amended
7 to read as follows:

8 (c) If after conducting the annual study the comptroller
9 determines that the local value for a school district is valid, the
10 local value is presumed to represent taxable value for the school
11 district. In the absence of that presumption, taxable value for a
12 school district is the state value for the school district
13 determined by the comptroller under Subsections (a) and (b) unless
14 the local value exceeds the state value, in which case the taxable
15 value for the school district is the district's local value. In
16 determining whether the local value for a school district is valid,
17 the comptroller shall use a margin of error that has a range, the
18 lower limit of which is 85 percent of the state value and the upper
19 limit of which is 105 percent of the state value, [~~does not exceed~~
20 five percent] unless the comptroller determines that the size of
21 the sample of properties necessary to make the determination makes
22 the use of such a margin of error not feasible, in which case the
23 comptroller may use a larger margin of error.

24 SECTION 2. The change in law made by this Act applies only

1 to the annual study conducted under Section 403.302, Government
2 Code, for a tax year that begins on or after January 1, 2007. The
3 annual study for a tax year that begins before that date is covered
4 by the law in effect immediately before the effective date of this
5 Act, and the prior law is continued in effect for that purpose.

6 SECTION 3. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect on the 91st day after the last day of the
11 legislative session.