

By: Frost

H.B. No. 1302

A BILL TO BE ENTITLED

AN ACT

relating to the authority of certain school districts to enter into property tax abatement agreements in connection with realigned or closed military facilities.

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

SECTION 1. Section 312.002, Tax Code, is amended by amending Subsections (f) and (g) and adding Subsections (h) and (i) to read as follows:

(f) Except as provided by Subsection (h), on ~~on~~ or after September 1, 2001, a school district may not enter into a tax abatement agreement under this chapter.

(g) "Taxing unit" has the meaning assigned by Section 1.04 ~~except that for a tax abatement agreement executed on or after September 1, 2001, the term does not include a school district that is subject to Chapter 42, Education Code, and that is organized primarily to provide general elementary and secondary public education~~].

(h) A school district has the same authority to enter into a tax abatement agreement under this chapter as a taxing unit other than a municipality or county if the property that is the subject of the proposed agreement:

(1) was part of a military base or other military facility that was realigned or closed;

(2) was exempt from property taxation while it was

1 owned by the person from whom the current owner acquired it; and

2 (3) is located in a county in the Texas-Louisiana  
3 border region as defined by Section 2056.002, Government Code.

4 (i) Subsection (h) expires September 1, 2019. The  
5 expiration of Subsection (h) does not affect the validity of a tax  
6 abatement agreement entered into by a school district under  
7 Subsection (h) before the expiration of that subsection.

8 SECTION 2. Section 403.302(d), Government Code, is amended  
9 to read as follows:

10 (d) For the purposes of this section, "taxable value" means  
11 the market value of all taxable property less:

12 (1) the total dollar amount of any residence homestead  
13 exemptions lawfully granted under Section 11.13(b) or (c), Tax  
14 Code, in the year that is the subject of the study for each school  
15 district;

16 (2) one-half of the total dollar amount of any  
17 residence homestead exemptions granted under Section 11.13(n), Tax  
18 Code, in the year that is the subject of the study for each school  
19 district;

20 (3) the total dollar amount of any exemption  
21 ~~[exemptions]~~ granted ~~[before May 31, 1993,]~~ within a reinvestment  
22 zone under an agreement ~~[agreements]~~ authorized by Chapter 312, Tax  
23 Code, if the exemption was granted:

24 (A) before May 31, 1993; or

25 (B) under authority of Section 312.002(h), Tax  
26 Code;

27 (4) subject to Subsection (e), the total dollar amount

1 of any captured appraised value of property that:

2 (A) is within a reinvestment zone created on or  
3 before May 31, 1999, or is proposed to be included within the  
4 boundaries of a reinvestment zone as the boundaries of the zone and  
5 the proposed portion of tax increment paid into the tax increment  
6 fund by a school district are described in a written notification  
7 provided by the municipality or the board of directors of the zone  
8 to the governing bodies of the other taxing units in the manner  
9 provided by Section 311.003(e), Tax Code, before May 31, 1999, and  
10 within the boundaries of the zone as those boundaries existed on  
11 September 1, 1999, including subsequent improvements to the  
12 property regardless of when made;

13 (B) generates taxes paid into a tax increment  
14 fund created under Chapter 311, Tax Code, under a reinvestment zone  
15 financing plan approved under Section 311.011(d), Tax Code, on or  
16 before September 1, 1999; and

17 (C) is eligible for tax increment financing under  
18 Chapter 311, Tax Code;

19 (5) for a school district for which a deduction from  
20 taxable value is made under Subdivision (4), an amount equal to the  
21 taxable value required to generate revenue when taxed at the school  
22 district's current tax rate in an amount that, when added to the  
23 taxes of the district paid into a tax increment fund as described by  
24 Subdivision (4)(B), is equal to the total amount of taxes the  
25 district would have paid into the tax increment fund if the district  
26 levied taxes at the rate the district levied in 2005;

27 (6) the total dollar amount of any captured appraised

value of property that:

(A) is within a reinvestment zone:

(i) created on or before December 31, 2008,  
by a municipality with a population of less than 18,000; and

(ii) the project plan for which includes  
the alteration, remodeling, repair, or reconstruction of a  
structure that is included on the National Register of Historic  
Places and requires that a portion of the tax increment of the zone  
be used for the improvement or construction of related facilities  
or for affordable housing;

(B) generates school district taxes that are paid  
into a tax increment fund created under Chapter 311, Tax Code; and

(C) is eligible for tax increment financing under  
Chapter 311, Tax Code;

(7) the total dollar amount of any exemptions granted  
under Section 11.251 or 11.253, Tax Code;

(8) the difference between the comptroller's estimate  
of the market value and the productivity value of land that  
qualifies for appraisal on the basis of its productive capacity,  
except that the productivity value estimated by the comptroller may  
not exceed the fair market value of the land;

(9) the portion of the appraised value of residence  
homesteads of individuals who receive a tax limitation under  
Section 11.26, Tax Code, on which school district taxes are not  
imposed in the year that is the subject of the study, calculated as  
if the residence homesteads were appraised at the full value  
required by law;

1           (10) a portion of the market value of property not  
2 otherwise fully taxable by the district at market value because of:

3                   (A) action required by statute or the  
4 constitution of this state that, if the tax rate adopted by the  
5 district is applied to it, produces an amount equal to the  
6 difference between the tax that the district would have imposed on  
7 the property if the property were fully taxable at market value and  
8 the tax that the district is actually authorized to impose on the  
9 property, if this subsection does not otherwise require that  
10 portion to be deducted; or

11                   (B) action taken by the district under Subchapter  
12 B or C, Chapter 313, Tax Code;

13           (11) the market value of all tangible personal  
14 property, other than manufactured homes, owned by a family or  
15 individual and not held or used for the production of income;

16           (12) the appraised value of property the collection of  
17 delinquent taxes on which is deferred under Section 33.06, Tax  
18 Code;

19           (13) the portion of the appraised value of property  
20 the collection of delinquent taxes on which is deferred under  
21 Section 33.065, Tax Code; and

22           (14) the amount by which the market value of a  
23 residence homestead to which Section 23.23, Tax Code, applies  
24 exceeds the appraised value of that property as calculated under  
25 that section.

26       SECTION 3. This Act takes effect immediately if it receives  
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this  
2 Act does not receive the vote necessary for immediate effect, this  
3 Act takes effect September 1, 2009.