

By: Heflin, Swinford, Strama

H.B. No. 3676

Substitute the following for H.B. No. 3676:

By: Otto

C.S.H.B. No. 3676

A BILL TO BE ENTITLED

AN ACT

relating to the Texas Economic Development Act.

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

SECTION 1. Section 313.007, Tax Code, is amended to read as follows:

Sec. 313.007. EXPIRATION. Subchapters B, C, and D expire December 31, 2015 [~~2011~~].

SECTION 2. Section 313.021, Tax Code, is amended to read as follows:

Sec. 313.021. DEFINITIONS. In this subchapter:

(1) "Qualified investment" means:

(A) tangible personal property that is first placed in service in this state during the applicable qualifying time period that begins on or after January 1, 2002, without regard to whether the property is affixed to or incorporated into real property, and that is described as Section 1245 property by Section 1245(a), Internal Revenue Code of 1986;

(B) tangible personal property that is first placed in service in this state during the applicable qualifying time period that begins on or after January 1, 2002, without regard to whether the property is affixed to or incorporated into real property, and that is used in connection with the manufacturing, processing, or fabrication in a cleanroom environment of a semiconductor product, without regard to whether the property is

1 actually located in the cleanroom environment, including:

2 (i) integrated systems, fixtures, and
3 piping;

4 (ii) all property necessary or adapted to
5 reduce contamination or to control airflow, temperature, humidity,
6 chemical purity, or other environmental conditions or
7 manufacturing tolerances; and

8 (iii) production equipment and machinery,
9 moveable cleanroom partitions, and cleanroom lighting;

10 (C) tangible personal property that is first
11 placed in service in this state during the applicable qualifying
12 time period that begins on or after January 1, 2002, without regard
13 to whether the property is affixed to or incorporated into real
14 property, and that is used in connection with the operation of a
15 nuclear electric power generation facility, including:

16 (i) property, including pressure vessels,
17 pumps, turbines, generators, and condensers, used to produce
18 nuclear electric power; and

19 (ii) property and systems necessary to
20 control radioactive contamination;

21 (D) tangible personal property that is first
22 placed in service in this state during the applicable qualifying
23 time period that begins on or after January 1, 2002, without regard
24 to whether the property is affixed to or incorporated into real
25 property, and that is used in connection with operating an
26 integrated gasification combined cycle electric generation
27 facility, including:

1 (i) property used to produce electric power
2 by means of a combined combustion turbine and steam turbine
3 application using synthetic gas or another product produced by the
4 gasification of coal or another carbon-based feedstock; or

5 (ii) property used in handling materials to
6 be used as feedstock for gasification or used in the gasification
7 process to produce synthetic gas or another carbon-based feedstock
8 for use in the production of electric power in the manner described
9 by Subparagraph (i); [~~or~~]

10 (E) tangible personal property that is first
11 placed in service in this state during the applicable qualifying
12 time period that begins on or after January 1, 2010, without regard
13 to whether the property is affixed to or incorporated into real
14 property, and that is used in connection with operating an advanced
15 clean energy project, as defined by Section 382.003, Health and
16 Safety Code; or

17 (F) a building or a permanent, nonremovable
18 component of a building that is built or constructed during the
19 applicable qualifying time period that begins on or after January
20 1, 2002, and that houses tangible personal property described by
21 Paragraph (A), (B), (C), [~~or~~] (D), or (E).

22 (2) "Qualified property" means:

23 (A) land:

24 (i) that is located in an area designated as
25 a reinvestment zone under Chapter 311 or 312 or as an enterprise
26 zone under Chapter 2303, Government Code;

27 (ii) on which a person proposes to

1 construct a new building or erect or affix a new improvement that
2 does not exist before the date the person [~~owner~~] applies for a
3 limitation on appraised value under this subchapter;

4 (iii) that is not subject to a tax abatement
5 agreement entered into by a school district under Chapter 312; and

6 (iv) on which, in connection with the new
7 building or new improvement described by Subparagraph (ii), the
8 owner or lessee of, or the holder of another possessory interest in,
9 the land proposes to:

10 (a) make a qualified investment in an
11 amount equal to at least the minimum amount required by Section
12 313.023; and

13 (b) create at least 25 new jobs;

14 (B) the new building or other new improvement
15 described by Paragraph (A)(ii); and

16 (C) tangible personal property that:

17 (i) is not subject to a tax abatement
18 agreement entered into by a school district under Chapter 312; and

19 (ii) except for new equipment described in
20 Section 151.318(q) or (q-1), is first placed in service in the new
21 building or in or on the new improvement described by Paragraph
22 (A)(ii), or on the land on which that new building or new
23 improvement is located, if the personal property is ancillary and
24 necessary to the business conducted in that new building or in or on
25 that new improvement.

26 (3) "Qualifying job" means a permanent full-time job
27 that:

- 1 (A) requires at least 1,600 hours of work a year;
- 2 (B) is not transferred from one area in this
3 state to another area in this state;
- 4 (C) is not created to replace a previous
5 employee;
- 6 (D) is covered by a group health benefit plan[~~7~~
7 ~~as defined by Section 481.151, Government Code,~~] for which the
8 business offers to pay at least 80 percent of the premiums or other
9 charges assessed for employee-only coverage under the plan,
10 regardless of whether an employee may voluntarily waive the
11 coverage; and
- 12 (E) pays at least 110 percent of the county
13 average weekly wage for manufacturing jobs in the county where the
14 job is located.

15 (4) "Qualifying time period" means:

- 16 (A) the period that begins on the date that a
17 person's application for a limitation on appraised value under this
18 subchapter is approved by the governing body of the school district
19 and ends on December 31 of the second tax year that begins after
20 that date [~~first two tax years that begin on or after the date a~~
21 ~~person's application for a limitation on appraised value under this~~
22 ~~subchapter is approved~~], except as provided by Paragraph (B) or (C)
23 of this subdivision or Section 313.027(h); [~~or~~]
- 24 (B) in connection with a nuclear electric power
25 generation facility, the first seven tax years that begin on or
26 after the third anniversary of the date the school district
27 approves the property owner's application for a limitation on

1 appraised value under this subchapter, unless a shorter time period
2 is agreed to by the governing body of the school district and the
3 property owner; or

4 (C) in connection with an advanced clean energy
5 project, as defined by Section 382.003, Health and Safety Code, the
6 first five tax years that begin on or after the third anniversary of
7 the date the school district approves the property owner's
8 application for a limitation on appraised value under this
9 subchapter, unless a shorter time period is agreed to by the
10 governing body of the school district and the property owner.

11 (5) "County average weekly wage for manufacturing
12 jobs" means the average weekly wage in a county for manufacturing
13 jobs during the most recent four quarterly periods for which data
14 are available at the time a person submits an application for a
15 limitation on appraised value under this subchapter, as computed by
16 the Texas Workforce Commission.

17 SECTION 3. Section 313.024(e), Tax Code, is amended by
18 amending Subdivision (1) and adding Subdivision (5) to read as
19 follows:

20 (1) "Manufacturing" means an establishment primarily
21 engaged in activities described in sectors 31-33 of the 2007 North
22 American Industry Classification System [~~and "research and~~
23 ~~development" have the meanings assigned by Section 171.751].~~

24 (5) "Research and development" means an establishment
25 primarily engaged in activities described in category 541710 of the
26 2002 North American Industry Classification System.

27 SECTION 4. Section 313.025, Tax Code, is amended by

1 amending Subsection (a) and adding Subsections (a-1), (d-1), (h),
2 and (i) to read as follows:

3 (a) The owner or lessee of, or the holder of another
4 possessory interest in, any qualified property described by Section
5 313.021(2)(A), (B), or (C) may apply to the governing body of the
6 school district in which the property is located for a limitation on
7 the appraised value for school district maintenance and operations
8 ad valorem tax purposes of the person's qualified property. An
9 application must be made on the form prescribed by the comptroller
10 and include the information required by the comptroller, and it
11 must be accompanied by:

12 (1) the application fee established by the governing
13 body of the school district;

14 (2) information sufficient to show that the real and
15 personal property identified in the application as qualified
16 property meets the applicable criteria established by Section
17 313.021(2); and

18 (3) information relating to each applicable criterion
19 listed in Section 313.026.

20 (a-1) Within seven days of the receipt of each document, the
21 school district shall submit to the comptroller a copy of the
22 application and the agreement between the applicant and the school
23 district. If an economic analysis of the proposed project is
24 submitted to the school district, the district shall submit a copy
25 of the analysis to the comptroller. In addition, the school
26 district shall submit to the comptroller any subsequent revision of
27 or amendment to any of those documents within seven days of its

1 receipt. The comptroller shall publish each document received from
2 the school district under this subsection on the comptroller's
3 Internet website. If the school district maintains a generally
4 accessible Internet website, the district shall provide on its
5 website a link to the location of those documents posted on the
6 comptroller's website in compliance with this subsection. This
7 subsection does not require the comptroller to post information
8 that is confidential under Section 313.028.

9 (d-1) The governing body of a school district may approve an
10 application that the comptroller has recommended should be
11 disapproved only if:

12 (1) the governing body holds a public hearing the sole
13 purpose of which is to consider the application and the
14 comptroller's recommendation; and

15 (2) at a subsequent meeting of the governing body held
16 after the date of the public hearing, at least two-thirds of the
17 members of the governing body vote to approve the application.

18 (h) After receiving a copy of the application, the
19 comptroller shall determine whether the property meets the
20 requirements of Section 313.024 for eligibility for a limitation on
21 appraised value under this subchapter. The comptroller shall
22 notify the governing body of the school district of the
23 comptroller's determination and provide the applicant an
24 opportunity for a hearing before the determination becomes final.
25 A hearing under this subsection is a contested case hearing and
26 shall be conducted by the State Office of Administrative Hearings
27 in the manner provided by Section 2003.101, Government Code. The

1 applicant has the burden of proof on each issue in the hearing. The
2 applicant may seek judicial review of the comptroller's
3 determination in a Travis County district court under the
4 substantial evidence rule as provided by Subchapter G, Chapter
5 2001, Government Code.

6 (i) If the comptroller's determination under Subsection (h)
7 that the property does not meet the requirements of Section 313.024
8 for eligibility for a limitation on appraised value under this
9 subchapter becomes final, the comptroller is not required to
10 provide an economic impact evaluation of the application or to
11 submit a recommendation to the school district as to whether the
12 application should be approved or disapproved, and the governing
13 body of the school district may not grant the application.

14 SECTION 5. Sections 313.026(a) and (b), Tax Code, are
15 amended to read as follows:

16 (a) The economic impact evaluation of the application must
17 include the following:

- 18 (1) the recommendations of the comptroller;
- 19 (2) the name of the school district;
- 20 (3) the name of the applicant;
- 21 (4) the general nature of the applicant's investment;
- 22 (5) [~~(2)~~] the relationship between the applicant's
23 industry and the types of qualifying jobs to be created by the
24 applicant to the long-term economic growth plans of this state as
25 described in the strategic plan for economic development submitted
26 by the Texas Strategic Economic Development Planning Commission
27 under Section 481.033, Government Code, as that section existed

1 before February 1, 1999;

2 (6) [~~(3)~~] the relative level of the applicant's
3 investment per qualifying job to be created by the applicant;

4 (7) the number of qualifying jobs to be created by the
5 applicant;

6 (8) [~~(4)~~] the wages, salaries, and benefits to be
7 offered by the applicant to qualifying job holders;

8 (9) [~~(5)~~] the ability of the applicant to locate or
9 relocate in another state or another region of this state;

10 (10) [~~(6)~~] the impact the project [~~added~~
11 ~~infrastructure~~] will have on this state and individual local units
12 of government [~~the region~~], including:

13 (A) tax and other revenue gains, direct or
14 indirect, that would be realized during the qualifying time period,
15 the limitation period, and a period of time after the limitation
16 period considered appropriate by the comptroller [~~by the school~~
17 ~~district~~]; and

18 (B) [~~subsequent~~] economic effects of the
19 project, including the impact on jobs and income, during the
20 qualifying time period, the limitation period, and a period of time
21 after the limitation period considered appropriate by the
22 comptroller [~~on the local and regional tax bases~~];

23 (11) [~~(7)~~] the economic condition of the region of the
24 state at the time the person's application is being considered;

25 (12) [~~(8)~~] the number of new facilities built or
26 expanded in the region during the two years preceding the date of
27 the application that were eligible to apply for a limitation on

1 appraised value under this subchapter; ~~and~~

2 (13) [~~9~~] the effect of the applicant's proposal, if
3 approved, on the number or size of the school district's
4 instructional facilities, as defined by Section 46.001, Education
5 Code;

6 (14) the projected market value of the qualified
7 property of the applicant as determined by the comptroller;

8 (15) the proposed limitation on appraised value for
9 the qualified property of the applicant;

10 (16) the projected dollar amount of the taxes that
11 would be imposed on the qualified property, for each year of the
12 agreement, if the property does not receive a limitation on
13 appraised value with assumptions of the projected appreciation or
14 depreciation of the investment and projected tax rates clearly
15 stated;

16 (17) the projected dollar amount of the taxes that
17 would be imposed on the qualified property, for each tax year of the
18 agreement, if the property receives a limitation on appraised value
19 with assumptions of the projected appreciation or depreciation of
20 the investment clearly stated;

21 (18) the projected effect on the Foundation School
22 Program of payments to the district for each year of the agreement;

23 (19) the projected future tax credits if the applicant
24 also applies for school tax credits under Section 313.103; and

25 (20) the total amount of taxes projected to be lost or
26 gained by the district over the life of the agreement computed by
27 subtracting the projected taxes stated in Subdivision (17) from the

1 projected taxes stated in Subdivision (16).

2 (b) The comptroller's recommendations shall be based on the
3 criteria listed in Subsections (a)(5)-(20) [~~(a)(2)-(9)~~] and on any
4 other information available to the comptroller, including
5 information provided by the governing body of the school district
6 under Section 313.025(b).

7 SECTION 6. Subchapter B, Chapter 313, Tax Code, is amended
8 by adding Section 313.0265 to read as follows:

9 Sec. 313.0265. DISCLOSURE OF APPRAISED VALUE LIMITATION
10 INFORMATION. (a) The comptroller shall post on the comptroller's
11 Internet website each document or item of information the
12 comptroller designates as substantive before the 15th day after the
13 date the document or item of information was received or created.
14 Each document or item of information must continue to be posted
15 until the appraised value limitation expires.

16 (b) The comptroller shall designate the following as
17 substantive:

18 (1) each application requesting a limitation on
19 appraised value;

20 (2) the economic impact evaluation made in connection
21 with the application; and

22 (3) each application requesting school tax credits
23 under Section 313.103.

24 (c) If a school district maintains a generally accessible
25 Internet website, the district shall maintain a link on its
26 Internet website to the area of the comptroller's Internet website
27 where information on each of the district's agreements to limit

1 appraised value is maintained.

2 SECTION 7. Section 313.027, Tax Code, is amended by
3 amending Subsection (f) and adding Subsections (h) and (i) to read
4 as follows:

5 (f) In addition, the agreement:

6 (1) must incorporate each relevant provision of this
7 subchapter and, to the extent necessary, include provisions for the
8 protection of future school district revenues through the
9 adjustment of the minimum valuations, the payment of revenue
10 offsets, and other mechanisms agreed to by the property owner and
11 the school district;

12 (2) may provide that the property owner will protect
13 the school district in the event the district incurs extraordinary
14 education-related expenses related to the project that are not
15 directly funded in state aid formulas, including expenses for the
16 purchase of portable classrooms and the hiring of additional
17 personnel to accommodate a temporary increase in student enrollment
18 attributable to the project;

19 (3) must require the property owner to maintain a
20 viable presence in the school district for at least three years
21 after the date the limitation on appraised value of the owner's
22 property expires;

23 (4) [~~(3)~~] must provide for the termination of the
24 agreement, the recapture of ad valorem tax revenue lost as a result
25 of the agreement if the owner of the property fails to comply with
26 the terms of the agreement, and payment of a penalty or interest, or
27 both, on that recaptured ad valorem tax revenue;

1 (5) [~~4~~] may specify any conditions the occurrence of
2 which will require the district and the property owner to
3 renegotiate all or any part of the agreement; and

4 (6) [~~5~~] must specify the ad valorem tax years
5 covered by the agreement.

6 (h) The agreement between the governing body of the school
7 district and the applicant may provide for a deferral of the date on
8 which the qualifying time period for the project is to commence or,
9 subsequent to the date the agreement is entered into, be amended to
10 provide for such a deferral. This subsection may not be construed
11 to permit a qualifying time period that has commenced to continue
12 for more than the number of years applicable to the project under
13 Section 313.021(4).

14 (i) A person and the school district may not enter into an
15 agreement under which the person agrees to provide supplemental
16 payments to a school district in an amount that exceeds an amount
17 equal to \$100 per student per year in average daily attendance, as
18 defined by Section 42.005, Education Code, or for a period that
19 exceeds the period described by Section 313.021(4) or 313.104(2)(B)
20 of this code. This limit does not apply to amounts described by
21 Subsection (f)(1) or (2) of this section.

22 SECTION 8. Subchapter B, Chapter 313, Tax Code, is amended
23 by adding Section 313.0275 to read as follows:

24 Sec. 313.0275. RECAPTURE OF AD VALOREM TAX REVENUE LOST.

25 (a) Notwithstanding any other provision of this chapter to the
26 contrary, a person with whom a school district enters into an
27 agreement under this subchapter must make the minimum amount of

1 qualified investment during the qualifying time period and create
2 the required number of qualifying jobs during each year of the
3 agreement.

4 (b) If in any tax year a property owner fails to comply with
5 Subsection (a), the property owner is liable to this state for a
6 penalty equal to the amount computed by subtracting from the market
7 value of the property for that tax year the value of the property as
8 limited by the agreement and multiplying the difference by the
9 maintenance and operations tax rate of the school district for that
10 tax year.

11 (c) A penalty imposed under Subsection (b) becomes
12 delinquent if not paid on or before February 1 of the following tax
13 year. Section 33.01 applies to the delinquent penalty in the manner
14 that section applies to delinquent taxes.

15 SECTION 9. Section 313.028, Tax Code, is amended to read as
16 follows:

17 Sec. 313.028. CERTAIN BUSINESS INFORMATION CONFIDENTIAL.
18 Information provided to a school district in connection with an
19 application for a limitation on appraised value under this
20 subchapter that describes the specific processes or business
21 activities to be conducted or the specific tangible personal
22 property to be located on real property covered by the application
23 shall be segregated in the application from other information in
24 the application and is confidential and not subject to public
25 disclosure unless the governing body of the school district
26 approves the application. Other information in the custody of a
27 school district or the comptroller in connection with the

1 application, including information related to the economic impact
2 of a project or the essential elements of eligibility under this
3 chapter, such as the nature and amount of the projected investment,
4 employment, wages, and benefits, may not be considered confidential
5 business information if the governing body of the school district
6 agrees to consider the application. Information in the custody
7 of a school district or the comptroller if the governing body
8 approves the application is not confidential under this section.

9 SECTION 10. Section 313.051(a), Tax Code, is amended to
10 read as follows:

11 (a) This subchapter applies only to a school district that
12 has territory in:

13 (1) an area that qualified as a strategic investment
14 area under Subchapter O, Chapter 171, immediately before that
15 subchapter expired [~~as defined by Section 171.721~~]; or

16 (2) a county:

17 (A) that has a population of less than 50,000;
18 and

19 (B) [~~that is not partially or wholly located in a~~
20 ~~metropolitan statistical area; and~~

21 [~~(C)~~] in which, from 1990 to 2000, according to
22 the federal decennial census, the population:

23 (i) remained the same;

24 (ii) decreased; or

25 (iii) increased, but at a rate of not more
26 than three percent per annum.

27 SECTION 11. Section 313.103, Tax Code, is amended to read as

1 follows:

2 Sec. 313.103. APPLICATION. (a) An application for a tax
3 credit under this subchapter must be made to the governing body of
4 the school district to which the ad valorem taxes were paid. The
5 application must be:

6 (1) made on the form prescribed for that purpose by the
7 comptroller and verified by the applicant;

8 (2) accompanied by:

9 (A) a tax receipt from the collector of taxes for
10 the school district showing full payment of school district ad
11 valorem taxes on the qualified property for the applicable
12 qualifying time period; and

13 (B) any other document or information that the
14 comptroller or the governing body considers necessary for a
15 determination of the applicant's eligibility for the credit or the
16 amount of the credit; and

17 (3) filed before September 1 of the year immediately
18 following the applicable qualifying time period.

19 (b) An application for a tax credit under this subchapter or
20 any information provided by the school district to the Texas
21 Education Agency under Section 42.2515, Education Code, is not
22 confidential.

23 SECTION 12. Section 403.302(d), Government Code, is amended
24 to read as follows:

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

27 (1) the total dollar amount of any residence homestead

1 exemptions lawfully granted under Section 11.13(b) or (c), Tax
2 Code, in the year that is the subject of the study for each school
3 district;

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

8 (3) the total dollar amount of any exemptions granted
9 before May 31, 1993, within a reinvestment zone under agreements
10 authorized by Chapter 312, Tax Code;

11 (4) subject to Subsection (e), the total dollar amount
12 of any captured appraised value of property that:

13 (A) is within a reinvestment zone created on or
14 before May 31, 1999, or is proposed to be included within the
15 boundaries of a reinvestment zone as the boundaries of the zone and
16 the proposed portion of tax increment paid into the tax increment
17 fund by a school district are described in a written notification
18 provided by the municipality or the board of directors of the zone
19 to the governing bodies of the other taxing units in the manner
20 provided by Section 311.003(e), Tax Code, before May 31, 1999, and
21 within the boundaries of the zone as those boundaries existed on
22 September 1, 1999, including subsequent improvements to the
23 property regardless of when made;

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

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

3 (5) for a school district for which a deduction from
4 taxable value is made under Subdivision (4), an amount equal to the
5 taxable value required to generate revenue when taxed at the school
6 district's current tax rate in an amount that, when added to the
7 taxes of the district paid into a tax increment fund as described by
8 Subdivision (4)(B), is equal to the total amount of taxes the
9 district would have paid into the tax increment fund if the district
10 levied taxes at the rate the district levied in 2005;

11 (6) the total dollar amount of any captured appraised
12 value of property that:

13 (A) is within a reinvestment zone:

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

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

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

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

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

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

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

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

14 (A) action required by statute or the
15 constitution of this state that, if the tax rate adopted by the
16 district is applied to it, produces an amount equal to the
17 difference between the tax that the district would have imposed on
18 the property if the property were fully taxable at market value and
19 the tax that the district is actually authorized to impose on the
20 property, if this subsection does not otherwise require that
21 portion to be deducted; or

22 (B) action taken by the district under Subchapter
23 B or C, Chapter 313, Tax Code, before the expiration of the
24 subchapter;

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

1 (12) the appraised value of property the collection of
2 delinquent taxes on which is deferred under Section 33.06, Tax
3 Code;

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

7 (14) the amount by which the market value of a
8 residence homestead to which Section 23.23, Tax Code, applies
9 exceeds the appraised value of that property as calculated under
10 that section.

11 SECTION 13. Section 313.029, Tax Code, is repealed.

12 SECTION 14. Sections 313.021(1)(A) and (2), 313.024(e), and
13 313.025(a), Tax Code, as amended by this Act, are intended to
14 clarify rather than change existing law.

15 SECTION 15. This Act takes effect immediately if it
16 receives a vote of two-thirds of all the members elected to each
17 house, as provided by Section 39, Article III, Texas Constitution.
18 If this Act does not receive the vote necessary for immediate
19 effect, this Act takes effect September 1, 2009.