

By: Kolkhorst

H.B. No. 3097

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the responsibilities of the comptroller and school
3 districts in the implementation of the Texas Economic Development
4 Act.

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

6 SECTION 1. Section 313.004, Tax Code, is amended to read as
7 follows:

8 Sec. 313.004. LEGISLATIVE INTENT. It is the intent of the
9 legislature in enacting this chapter that:

10 (1) economic development decisions should occur at the
11 state [~~local~~] level with local approval and be consistent with
12 identifiable statewide economic development goals;

13 (2) this chapter should not be construed or
14 interpreted to allow:

15 (A) property owners to pool investments to create
16 sufficiently large investments to qualify for an ad valorem tax
17 benefit or financial benefit provided by this chapter;

18 (B) an applicant for an ad valorem tax benefit or
19 financial benefit provided by this chapter to assert that jobs will
20 be eliminated if certain investments are not made if the assertion
21 is not true; or

22 (C) a sole proprietorship, partnership, or
23 limited liability partnership to receive an ad valorem tax benefit
24 or financial benefit provided by this chapter; and

1 (3) in implementing this chapter, the comptroller
2 [~~school districts~~] should:

3 (A) strictly interpret the criteria and
4 selection guidelines provided by this chapter; and

5 (B) approve only those applications for an ad
6 valorem tax benefit or financial benefit provided by this chapter
7 that:

8 (i) enhance the local community;

9 (ii) improve the local public education
10 system;

11 (iii) create high-paying jobs; and

12 (iv) advance the economic development goals
13 of this state as identified by the Texas Strategic Economic
14 Development Planning Commission.

15 SECTION 2. Section 313.021(4), Tax Code, is amended to read
16 as follows:

17 (4) "Qualifying time period" means:

18 (A) the period that begins on the date that a
19 person's application for a limitation on appraised value under this
20 subchapter is approved by the comptroller [~~governing body of the~~
21 ~~school district~~] and ends on December 31 of the second tax year that
22 begins after that date, except as provided by Paragraph (B) or (C)
23 of this subdivision or Section 313.027(h);

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 comptroller [~~school~~
27 ~~district~~] approves the property owner's application for a

1 limitation on appraised value under this subchapter, unless a
2 shorter time period is agreed to by the comptroller [~~governing body~~
3 ~~of the school district~~] and the 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 comptroller [~~school district~~] approves the property
8 owner's application for a limitation on appraised value under this
9 subchapter, unless a shorter time period is agreed to by the
10 comptroller [~~governing body of the school district~~] and the
11 property owner.

12 SECTION 3. Section 313.025, Tax Code, is amended by
13 amending Subsections (a), (a-1), (b), (b-1), (c), (d), (d-1), (e),
14 (f), (f-1), (g), and (i) and adding Subsections (j) and (k) to read
15 as follows:

16 (a) The owner or lessee of, or the holder of another
17 possessory interest in, any qualified property described by Section
18 313.021(2)(A), (B), or (C) may apply to the comptroller [~~governing~~
19 ~~body of the school district in which the property is located~~] for a
20 limitation on the appraised value for school district maintenance
21 and operations ad valorem tax purposes of the person's qualified
22 property. An application must be made on the form prescribed by the
23 comptroller and include the information required by the
24 comptroller, and it must be accompanied by:

25 (1) the application fee established by the comptroller
26 [~~governing body of the school district~~];

27 (2) information sufficient to show that the real and

1 personal property identified in the application as qualified
2 property meets the applicable criteria established by Section
3 313.021(2); and

4 (3) information relating to each applicable criterion
5 listed in Section 313.026.

6 (a-1) Within seven days of the receipt of each document, the
7 comptroller [~~school district~~] shall submit to the governing body of
8 the school district in which the property is located [~~comptroller~~]
9 a copy of the application and any proposed [~~the~~] agreement between
10 the applicant and the comptroller [~~school district~~]. If an
11 economic analysis of the proposed project is submitted to the
12 comptroller [~~school district~~], the comptroller [~~district~~] shall
13 submit a copy of the analysis to the school district [~~comptroller~~].
14 In addition, the comptroller [~~school district~~] shall submit to the
15 school district [~~comptroller~~] any subsequent revision of or
16 amendment to any of those documents within seven days of its
17 receipt. The comptroller shall publish each document received
18 [~~from the school district~~] under this subsection on the
19 comptroller's Internet website. If the school district maintains a
20 generally accessible Internet website, the district shall provide
21 on its website a link to the location of those documents posted on
22 the comptroller's website in compliance with this subsection. This
23 subsection does not require the comptroller to post information
24 that is confidential under Section 313.028.

25 (b) [~~The governing body of a school district is not required~~
26 ~~to consider an application for a limitation on appraised value that~~
27 ~~is filed with the governing body under Subsection (a). If the~~

1 ~~governing body of the school district does elect to consider an~~
2 ~~application, the governing body shall deliver three copies of the~~
3 ~~application to the comptroller and request that the comptroller~~
4 ~~provide an economic impact evaluation of the application to the~~
5 ~~school district.]~~ Except as provided by Subsection (b-1), the
6 comptroller shall conduct or contract with a third person to
7 conduct an economic impact ~~[the]~~ evaluation of the application,
8 which shall be completed and provided to the governing body of the
9 school district as soon as practicable. The governing body shall
10 provide to the comptroller or third person any requested
11 information. A methodology to allow comparisons of economic impact
12 for different schedules of the addition of qualified investment or
13 qualified property may be developed as part of the economic impact
14 evaluation. The comptroller ~~[governing body]~~ shall provide a copy
15 of the evaluation to the applicant on request. ~~[The comptroller may~~
16 ~~charge and collect a fee sufficient to cover the costs of providing~~
17 ~~the economic impact evaluation.]~~ The comptroller ~~[governing body~~
18 ~~of a school district]~~ shall approve or disapprove an application
19 before the 151st day after the date the application is filed, unless
20 the recommendation of the governing body ~~[economic impact~~
21 ~~evaluation]~~ has not been received or an extension is agreed to by
22 the comptroller ~~[governing body]~~ and the applicant.

23 (b-1) The comptroller shall indicate on a ~~[one]~~ copy of the
24 application the date the comptroller received the application and
25 deliver that copy to the Texas Education Agency. The Texas
26 Education Agency shall determine the effect that the applicant's
27 proposal will have on the number or size of the school district's

1 instructional facilities, as required to be included in the
2 economic impact evaluation by Section 313.026(a)(12)
3 [~~313.026(a)(9)~~], and submit a written report containing the
4 agency's determination to the comptroller. The governing body of
5 the school district shall provide any requested information to the
6 Texas Education Agency. Not later than the 45th day after the date
7 the application indicates that the comptroller received the
8 application, the Texas Education Agency shall make the required
9 determination and submit the agency's written report to the
10 comptroller. A third person contracted by the comptroller to
11 conduct an economic impact evaluation of an application is not
12 required to make a determination that the Texas Education Agency is
13 required to make and report to the comptroller under this
14 subsection.

15 (c) In determining whether to grant an application, the
16 comptroller [~~governing body of the school district~~] is entitled to
17 request and receive assistance from:

18 (1) the governing body of the school district
19 [~~comptroller~~];

20 (2) the Texas [~~Department of~~] Economic Development and
21 Tourism Office;

22 (3) the Texas Workforce Investment Council; and

23 (4) the Texas Workforce Commission.

24 (d) Before the 46th day [~~91st day~~] after the date the school
25 district [~~comptroller~~] receives the economic impact evaluation
26 [~~copy of the application~~], the governing body of the district
27 [~~comptroller~~] shall submit a recommendation to the comptroller

1 ~~[governing body of the school district]~~ as to whether the
2 application should be approved or disapproved.

3 (d-1) The comptroller ~~[governing body of a school district]~~
4 may approve an application ~~[that the comptroller has recommended~~
5 ~~should be disapproved]~~ only if ~~[+~~

6 ~~[(1)]~~ the governing body of the school district
7 recommends that the application be approved ~~[holds a public hearing~~
8 ~~the sole purpose of which is to consider the application and the~~
9 ~~comptroller's recommendation; and~~

10 ~~[(2) at a subsequent meeting of the governing body~~
11 ~~held after the date of the public hearing, at least two-thirds of~~
12 ~~the members of the governing body vote to approve the application].~~

13 (e) Before approving or disapproving an application under
14 this subchapter ~~[that the governing body elects to consider]~~, the
15 comptroller ~~[governing body of the school district]~~ must make a
16 written finding as to each criterion listed in Section 313.026. The
17 comptroller ~~[governing body]~~ shall deliver a copy of those findings
18 to the school district and the applicant.

19 (f) The comptroller ~~[governing body]~~ may approve an
20 application only if the comptroller ~~[governing body]~~ finds that the
21 information in the application is true and correct, finds under
22 Subsection (h) that the applicant is eligible for the limitation on
23 the appraised value of the person's qualified property, and
24 determines that granting the application is in the best interest of
25 the school district and this state.

26 (f-1) Notwithstanding any other provision of this chapter
27 to the contrary, including Section 313.003(2) or 313.004(3)(A) or

1 (B)(iii), the comptroller [~~governing body of a school district~~] may
2 waive the new jobs creation requirement in Section
3 313.021(2)(A)(iv)(b) or 313.051(b) and approve an application if
4 the comptroller [~~governing body~~] makes a finding that the jobs
5 creation requirement exceeds the industry standard for the number
6 of employees reasonably necessary for the operation of the facility
7 of the property owner that is described in the application.

8 (g) The Texas [~~Department of~~] Economic Development and
9 Tourism Office or its successor may recommend that the comptroller
10 [~~a school district~~] grant a person a limitation on appraised value
11 under this chapter. In determining whether to grant an
12 application, the comptroller [~~governing body of the school~~
13 ~~district~~] shall consider any recommendation made by the Texas
14 [~~Department of~~] Economic Development and Tourism Office or its
15 successor.

16 (i) If the comptroller's determination under Subsection (h)
17 that the property does not meet the requirements of Section 313.024
18 for eligibility for a limitation on appraised value under this
19 subchapter becomes final, the comptroller is not required to
20 conduct [~~provide~~] an economic impact evaluation of the application,
21 the governing body of the school district is not required [~~or~~] to
22 submit a recommendation to the comptroller [~~school district~~] as to
23 whether the application should be approved or disapproved, and the
24 comptroller [~~governing body of the school district~~] may not grant
25 the application.

26 (j) Unless Subsection (i) applies, if the governing body of
27 the school district submits a recommendation to the comptroller

1 that the comptroller approve the application and the comptroller
2 disapproves the application, the governing body of the school
3 district may approve the application if:

4 (1) the property owner requests that the governing
5 body approve the application;

6 (2) the governing body holds a public hearing the sole
7 purpose of which is to consider the application and the
8 comptroller's disapproval of the application; and

9 (3) at a subsequent meeting of the governing body held
10 after the date of the public hearing, at least two-thirds of the
11 members of the governing body vote to approve the application.

12 (k) If the governing body of the school district approves
13 the application under Subsection (j), the governing body of the
14 school district and the property owner shall enter into a written
15 agreement for the implementation of a limitation on appraised value
16 for school district maintenance and operations ad valorem tax
17 purposes of the owner's qualified property. The provisions of this
18 subchapter governing an agreement between the comptroller and the
19 property owner apply to an agreement between the governing body of
20 the school district and the property owner.

21 SECTION 4. Section 313.026, Tax Code, is amended to read as
22 follows:

23 Sec. 313.026. ECONOMIC IMPACT EVALUATION. (a) The
24 economic impact evaluation of the application must include the
25 following:

26 (1) ~~[the recommendations of the comptroller;~~

27 [~~2~~] the name of the school district;

- 1 (2) [~~(3)~~] the name of the applicant;
- 2 (3) [~~(4)~~] the general nature of the applicant's
3 investment;
- 4 (4) [~~(5)~~] the relationship between the applicant's
5 industry and the types of qualifying jobs to be created by the
6 applicant to the long-term economic growth plans of this state as
7 described in the strategic plan for economic development submitted
8 by the Texas Strategic Economic Development Planning Commission
9 under Section 481.033, Government Code, as that section existed
10 before February 1, 1999;
- 11 (5) [~~(6)~~] the relative level of the applicant's
12 investment per qualifying job to be created by the applicant;
- 13 (6) [~~(7)~~] the number of qualifying jobs to be created
14 by the applicant;
- 15 (7) [~~(8)~~] the wages, salaries, and benefits to be
16 offered by the applicant to qualifying job holders;
- 17 (8) [~~(9)~~] the ability of the applicant to locate or
18 relocate in another state or another region of this state;
- 19 (9) [~~(10)~~] the impact the project will have on this
20 state and individual local units of government, including:
- 21 (A) tax and other revenue gains, direct or
22 indirect, that would be realized during the qualifying time period,
23 the limitation period, and a period of time after the limitation
24 period considered appropriate by the comptroller; and
- 25 (B) economic effects of the project, including
26 the impact on jobs and income, during the qualifying time period,
27 the limitation period, and a period of time after the limitation

1 period considered appropriate by the comptroller;

2 (10) [~~(11)~~] the economic condition of the region of
3 the state at the time the person's application is being considered;

4 (11) [~~(12)~~] the number of new facilities built or
5 expanded in the region during the two years preceding the date of
6 the application that were eligible to apply for a limitation on
7 appraised value under this subchapter;

8 (12) [~~(13)~~] the effect of the applicant's proposal, if
9 approved, on the number or size of the school district's
10 instructional facilities, as defined by Section 46.001, Education
11 Code;

12 (13) [~~(14)~~] the projected market value of the
13 qualified property of the applicant as determined by the
14 comptroller;

15 (14) [~~(15)~~] the proposed limitation on appraised
16 value for the qualified property of the applicant;

17 (15) [~~(16)~~] the projected dollar amount of the taxes
18 that would be imposed on the qualified property, for each year of
19 the agreement, if the property does not receive a limitation on
20 appraised value with assumptions of the projected appreciation or
21 depreciation of the investment and projected tax rates clearly
22 stated;

23 (16) [~~(17)~~] the projected dollar amount of the taxes
24 that would be imposed on the qualified property, for each tax year
25 of the agreement, if the property receives a limitation on
26 appraised value with assumptions of the projected appreciation or
27 depreciation of the investment clearly stated;

1 (17) [~~(18)~~] the projected effect on the Foundation
2 School Program of payments to the district for each year of the
3 agreement;

4 (18) [~~(19)~~] the projected future tax credits if the
5 applicant also applies for school tax credits under Section
6 313.103; and

7 (19) [~~(20)~~] the total amount of taxes projected to be
8 lost or gained by the district over the life of the agreement
9 computed by subtracting the projected taxes stated in Subdivision
10 (16) [~~(17)~~] from the projected taxes stated in Subdivision (15)
11 [~~(16)~~].

12 (b) The comptroller's determination [~~recommendations~~]
13 shall be based on the criteria listed in Subsections (a)(4)-(19)
14 [~~(a)(5)-(20)~~] and on any other information available to the
15 comptroller, including information provided by the governing body
16 of the school district under Section 313.025(b).

17 SECTION 5. Section 313.0265(c), Tax Code, is amended to
18 read as follows:

19 (c) If a school district maintains a generally accessible
20 Internet website, the district shall maintain a link on its
21 Internet website to the area of the comptroller's Internet website
22 where information on each of the [~~district's~~] agreements to limit
23 appraised value entered into by the comptroller on behalf of the
24 district is maintained.

25 SECTION 6. Sections 313.027(a), (b), (c), (d), (e), (f),
26 (h), and (i), Tax Code, are amended to read as follows:

27 (a) If the person's application is approved by the

1 comptroller [~~governing body of the school district~~], for each of
 2 the first eight tax years that begin after the applicable
 3 qualifying time period, the appraised value for school district
 4 maintenance and operations ad valorem tax purposes of the person's
 5 qualified property as described in the agreement between the person
 6 and the comptroller [~~district~~] entered into under this section in
 7 the school district may not exceed the lesser of:

- 8 (1) the market value of the property; or
- 9 (2) subject to Subsection (b), the amount agreed to by
 10 the comptroller [~~governing body of the school district~~].

11 (b) The amount agreed to by the comptroller [~~governing body~~
 12 ~~of a school district~~] under Subsection (a)(2) must be an amount in
 13 accordance with the following, according to the category
 14 established by Section 313.022 to which the school district
 15 belongs:

16 CATEGORY	MINIMUM AMOUNT OF LIMITATION
17 I	\$100 million
18 II	\$80 million
19 III	\$60 million
20 IV	\$40 million
21 V	\$20 million

22 (c) The limitation amounts listed in Subsection (b) are
 23 minimum amounts. The comptroller [~~A school district~~], regardless
 24 of the category of the school district, may agree to a greater
 25 amount than those amounts.

26 (d) The comptroller [~~governing body of the school district~~]
 27 and the property owner shall enter into a written agreement for the

1 implementation of the limitation on appraised value under this
2 subchapter on the owner's qualified property. The agreement and
3 any amendment to the agreement must be approved by the governing
4 body of the school district.

5 (e) The agreement must describe with specificity the
6 qualified investment that the person will make on or in connection
7 with the person's qualified property that is subject to the
8 limitation on appraised value under this subchapter. Other
9 property of the person that is not specifically described in the
10 agreement is not subject to the limitation unless the comptroller
11 [~~governing body of the school district~~], by official action,
12 provides that the other property is subject to the limitation.

13 (f) In addition, the agreement:

14 (1) must incorporate each relevant provision of this
15 subchapter and, to the extent necessary, include provisions for the
16 protection of future school district revenues through the
17 adjustment of the minimum valuations, the payment of revenue
18 offsets, and other mechanisms agreed to by the property owner and
19 the comptroller [~~school district~~];

20 (2) may provide that the property owner will protect
21 the school district in the event the district incurs extraordinary
22 education-related expenses related to the project that are not
23 directly funded in state aid formulas, including expenses for the
24 purchase of portable classrooms and the hiring of additional
25 personnel to accommodate a temporary increase in student enrollment
26 attributable to the project;

27 (3) must require the property owner to maintain a

1 viable presence in the school district for at least three years
2 after the date the limitation on appraised value of the owner's
3 property expires;

4 (4) must provide for the termination of the agreement,
5 the recapture of ad valorem tax revenue lost as a result of the
6 agreement if the owner of the property fails to comply with the
7 terms of the agreement, and payment of a penalty or interest, or
8 both, on that recaptured ad valorem tax revenue;

9 (5) may specify any conditions the occurrence of which
10 will require the comptroller [~~district~~] and the property owner to
11 renegotiate all or any part of the agreement; and

12 (6) must specify the ad valorem tax years covered by
13 the agreement.

14 (h) The agreement between the comptroller [~~governing body~~
15 ~~of the school district~~] and the applicant may provide for a deferral
16 of the date on which the qualifying time period for the project is
17 to commence or, subsequent to the date the agreement is entered
18 into, be amended to provide for such a deferral. This subsection
19 may not be construed to permit a qualifying time period that has
20 commenced to continue for more than the number of years applicable
21 to the project under Section 313.021(4).

22 (i) A person and the comptroller [~~school district~~] may not
23 enter into an agreement under which the person agrees to provide
24 supplemental payments to a school district in an amount that
25 exceeds an amount equal to \$100 per student per year in average
26 daily attendance, as defined by Section 42.005, Education Code, or
27 for a period that exceeds the period beginning with the period

1 described by Section 313.021(4) and ending with the period
2 described by Section 313.104(2)(B) of this code. This limit does
3 not apply to amounts described by Subsection (f)(1) or (2) of this
4 section.

5 SECTION 7. Section 313.0275(a), Tax Code, is amended to
6 read as follows:

7 (a) Notwithstanding any other provision of this chapter to
8 the contrary, a person with whom the comptroller [~~a school~~
9 ~~district~~] enters into an agreement under this subchapter must make
10 the minimum amount of qualified investment during the qualifying
11 time period and create the required number of qualifying jobs
12 during each year of the agreement.

13 SECTION 8. Section 313.028, Tax Code, is amended to read as
14 follows:

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

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

8 SECTION 9. Section 313.031(b), Tax Code, is amended to read
 9 as follows:

10 (b) The comptroller [~~governing body of a school district~~] by
 11 official action shall establish reasonable nonrefundable
 12 application fees to be paid by property owners who apply to the
 13 comptroller [~~district~~] for a limitation on the appraised value of
 14 the person's property under this subchapter. The amount of an
 15 application fee must be reasonable and may not exceed the estimated
 16 cost to the comptroller [~~district~~] of processing and acting on an
 17 application, including the cost of the economic impact evaluation
 18 required by Sections 313.025 and 313.026.

19 SECTION 10. Section 313.051(b), Tax Code, is amended to
 20 read as follows:

21 (b) The comptroller [~~governing body of a school district to~~
 22 ~~which this subchapter applies~~] may enter into an agreement on
 23 behalf of a school district to which this subchapter applies in the
 24 same manner as the comptroller may enter into an agreement on behalf
 25 of a school district to which Subchapter B applies [~~may do so~~] under
 26 Subchapter B, subject to Sections 313.052-313.054. Except as
 27 otherwise provided by this subchapter, the provisions of Subchapter

1 B apply to a school district to which this subchapter applies. For
2 purposes of this subchapter, a property owner is required to create
3 only at least 10 new jobs on the owner's qualified property. At
4 least 80 percent of all the new jobs created must be qualifying jobs
5 as defined by Section 313.021(3), except that, for a school
6 district described by Subsection (a)(2), each qualifying job must
7 pay at least 110 percent of the average weekly wage for
8 manufacturing jobs in the region designated for the regional
9 planning commission, council of governments, or similar regional
10 planning agency created under Chapter 391, Local Government Code,
11 in which the district is located.

12 SECTION 11. Section 313.054, Tax Code, is amended to read as
13 follows:

14 Sec. 313.054. LIMITATION ON APPRAISED VALUE. (a) For a
15 school district to which this subchapter applies, the amount agreed
16 to by the comptroller [~~governing body of the district~~] under
17 Section 313.027(a)(2) must be an amount in accordance with the
18 following, according to the category established by Section 313.052
19 to which the school district belongs:

20	CATEGORY	MINIMUM AMOUNT OF LIMITATION
21	I	\$30 million
22	II	\$20 million
23	III	\$10 million
24	IV	\$5 million
25	V	\$1 million

26 (b) The limitation amounts listed in Subsection (a) are
27 minimum amounts. The comptroller [~~A school district~~], regardless

1 of the category of the school district, may agree to a greater
2 amount than those amounts.

3 SECTION 12. Section 313.102(a), Tax Code, is amended to
4 read as follows:

5 (a) In addition to the limitation on the appraised value of
6 the person's qualified property under Subchapter B or C, a person is
7 entitled to a tax credit from the school district on behalf of which
8 the comptroller [~~that~~] approved the limitation in an amount equal
9 to the amount of ad valorem taxes paid to that school district that
10 were imposed on the portion of the appraised value of the qualified
11 property that exceeds the amount of the limitation agreed to by the
12 comptroller [~~governing body of the school district~~] under Section
13 313.027(a)(2) in each year in the applicable qualifying time
14 period.

15 SECTION 13. Section 403.302(d), Government Code, as amended
16 by Chapters 1186 (H.B. 3676) and 1328 (H.B. 3646), Acts of the 81st
17 Legislature, Regular Session, 2009, is reenacted and amended to
18 read as follows:

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

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

25 (2) one-half of the total dollar amount of any
26 residence homestead exemptions granted under Section 11.13(n), Tax
27 Code, in the year that is the subject of the study for each school

1 district;

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

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

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

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

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

24 (5) the total dollar amount of any captured appraised
25 value of property that:

26 (A) is within a reinvestment zone:

27 (i) created on or before December 31, 2008,

1 by a municipality with a population of less than 18,000; and

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

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

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

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

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

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

25 (9) a portion of the market value of property not
26 otherwise fully taxable by the district at market value because of:

27 (A) action required by statute or the

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

8 (B) action taken by the district or by the
9 comptroller on behalf of the district under Subchapter B or C,
10 Chapter 313, Tax Code, before the expiration of the subchapter;

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

14 (11) the appraised value of property the collection of
15 delinquent taxes on which is deferred under Section 33.06, Tax
16 Code;

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

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

24 SECTION 14. Section 403.302(m), Government Code, as added
25 by Chapter 1186 (H.B. 3676), Acts of the 81st Legislature, Regular
26 Session, 2009, is amended to conform to Section 80, Chapter 1328
27 (H.B. 3646), Acts of the 81st Legislature, Regular Session, 2009:

1 (m) Subsection (d)(9) [~~(d)(10)~~] does not apply to property
2 that was the subject of an application under Subchapter B or C,
3 Chapter 313, Tax Code, made after May 1, 2009, that the comptroller
4 recommended should be disapproved.

5 SECTION 15. To the extent of any conflict, this Act prevails
6 over another Act of the 82nd Legislature, Regular Session, 2011,
7 relating to nonsubstantive additions to and corrections in enacted
8 codes.

9 SECTION 16. Chapter 313, Tax Code, as amended by this Act,
10 applies only to an application filed under that chapter on or after
11 the effective date of this Act. An application filed under that
12 chapter before the effective date of this Act is governed by the law
13 in effect on the date the application was filed, and the former law
14 is continued in effect for that purpose.

15 SECTION 17. This Act takes effect September 1, 2011.