

By: Miller of Fort Bend

H.B. No. 3594

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to credits against the ad valorem taxes imposed by a school  
3 district on the property of certain persons who provide an  
4 educational alternative for a child eligible to attend a public  
5 school in the district.

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

7 SECTION 1. Chapter 31, Tax Code, is amended by adding  
8 Sections 31.051 and 31.052 to read as follows:

9 Sec. 31.051. SCHOOL TAX CREDIT FOR CORPORATION THAT PAYS  
10 PRIVATE SCHOOL TUITION. (a) In this section, "educationally  
11 disadvantaged" and "private school" have the meanings assigned by  
12 Section 5.001, Education Code.

13 (b) A corporation that owns property taxable by a school  
14 district and that pays the tuition for a child who is educationally  
15 disadvantaged to attend a private school when the child is eligible  
16 under Section 25.001, Education Code, to attend a public school in  
17 the school district free of tuition is entitled to a tax credit  
18 against the taxes imposed by the school district on the  
19 corporation's property.

20 (c) In a tax year, the amount of a corporation's tax credit  
21 under this section is equal to the lesser of:

22 (1) the amount of tuition described by Subsection (b)  
23 that the corporation paid in that tax year; or

24 (2) the amount computed by adding the school

1 district's tier one local share for the school year beginning in  
2 that tax year under Section 42.252, Education Code, and the  
3 district's tier two local revenue for that year under Section  
4 42.302, Education Code, and dividing that sum by the number of  
5 students in weighted average daily attendance, as computed under  
6 Section 42.302, Education Code.

7 (d) A corporation applying for a tax credit under this  
8 section for a tax year must submit proof to the collector for the  
9 school district showing:

10 (1) that in that tax year the corporation paid the  
11 tuition for a child who is educationally disadvantaged to attend a  
12 private school when the child was eligible under Section 25.001,  
13 Education Code, to attend a public school in that school district  
14 free of tuition; and

15 (2) the amount of tuition paid by the corporation.

16 (e) The corporation must submit to the collector for the  
17 school district the proof required by Subsection (d) not later than  
18 January 31 of the year following the tax year for which the credit  
19 is claimed or the date the corporation pays the taxes to which the  
20 credit applies, whichever date is earlier.

21 (f) Not later than March 1 of each year, in the manner  
22 prescribed by the comptroller, a school district shall provide to  
23 the comptroller:

24 (1) the number of corporations that claimed a tax  
25 credit under this section for the preceding tax year and the amount  
26 of tax credit allowed to each corporation; and

27 (2) any other information relating to the tax credits

1 that the comptroller requires.

2 (g) A corporation may receive tax credits for paying the  
3 tuition for more than one child to attend a private school.

4 (h) The tax credit may be applied only to school district  
5 taxes imposed on the corporation's property in the tax year for  
6 which the tax credit is granted.

7 Sec. 31.052. SCHOOL TAX CREDIT FOR PARENT WHO PAYS PRIVATE  
8 SCHOOL TUITION OR HOMESCHOOLS CHILD. (a) In this section, "private  
9 school" has the meaning assigned by Section 5.001, Education Code.

10 (b) A person who receives an exemption under Section  
11 11.13(b) from taxes imposed by a school district and who pays the  
12 tuition for the person's child to attend a private school or who  
13 homeschools the person's child when the child is eligible under  
14 Section 25.001, Education Code, to attend a public school in the  
15 school district free of tuition is entitled to a tax credit against  
16 the taxes imposed by the school district on the person's residence  
17 homestead.

18 (c) In a tax year, the amount of the tax credit under this  
19 section for a person who pays the tuition for the person's child to  
20 attend a private school is equal to the lesser of:

21 (1) the amount of tuition described by Subsection (b)  
22 that the person paid in that tax year; or

23 (2) the amount computed by adding the school  
24 district's tier one local share for the school year beginning in  
25 that tax year under Section 42.252, Education Code, and the  
26 district's tier two local revenue for that year under Section  
27 42.302, Education Code, and dividing that sum by the number of

1 students in weighted average daily attendance, as computed under  
2 Section 42.302, Education Code.

3 (d) In a tax year, the amount of the tax credit under this  
4 section for a person who homeschools the person's child is the  
5 amount described by Subsection (c)(2).

6 (e) A person applying for a tax credit under this section  
7 for a tax year must submit proof to the collector for the school  
8 district showing:

9 (1) that in that tax year the person paid the tuition  
10 for the person's child to attend a private school or homeschooled  
11 the person's child when the child was eligible under Section  
12 25.001, Education Code, to attend a public school in that school  
13 district free of tuition; and

14 (2) the amount of tuition paid by the person, if  
15 applicable.

16 (f) The person must submit to the collector for the school  
17 district the proof required by Subsection (e) not later than  
18 January 31 of the year following the tax year for which the credit  
19 is claimed or the date the person pays the taxes to which the credit  
20 applies, whichever date is earlier.

21 (g) Not later than March 1 of each year, in the manner  
22 prescribed by the comptroller, a school district shall provide to  
23 the comptroller:

24 (1) the number of persons who claimed a tax credit  
25 under this section for the preceding tax year and the amount of tax  
26 credit allowed to each person; and

27 (2) any other information relating to the tax credits

1 that the comptroller requires.

2 (h) A person may receive tax credits for:

3 (1) paying the tuition for more than one of the  
4 person's children to attend a private school; or

5 (2) homeschooling more than one of the person's  
6 children.

7 (i) The tax credit may be applied only to school district  
8 taxes imposed on the person's residence homestead in the tax year  
9 for which the tax credit is granted.

10 SECTION 2. Section 42.302(e), Education Code, is amended to  
11 read as follows:

12 (e) For purposes of this section, school district taxes for  
13 which credit is granted under Section 31.051 or 31.052, Tax Code, or  
14 former Subchapter D, Chapter 313, Tax Code, are considered taxes  
15 collected by the school district as if the taxes were paid when the  
16 credit for the taxes was granted.

17 SECTION 3. This Act applies only to ad valorem taxes imposed  
18 for a tax year beginning on or after the effective date of this Act.

19 SECTION 4. This Act takes effect January 1, 2016, but only  
20 if the constitutional amendment proposed by the 84th Legislature,  
21 Regular Session, 2015, to authorize the legislature to provide for  
22 credits against the ad valorem taxes imposed by a school district on  
23 the property of certain persons who provide an educational  
24 alternative for a child eligible to attend a public school in the  
25 district is approved by the voters. If that amendment is not  
26 approved by the voters, this Act has no effect.