

AN ACT

relating to certain restrictions on the imposition of ad valorem taxes and to the duty of the state to reimburse certain political subdivisions for certain revenue loss; making conforming changes.

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

SECTION 1. Section 11.13, Tax Code, is amended by amending Subsection (b) and adding Subsection (n-1) to read as follows:

(b) An adult is entitled to exemption from taxation by a school district of \$25,000 [~~\$15,000~~] of the appraised value of the adult's residence homestead, except that only \$5,000 [~~\$10,000~~] of the exemption applies [~~does not apply~~] to an entity operating under former Chapter 17, 18, 25, 26, 27, or 28, Education Code, as those chapters existed on May 1, 1995, as permitted by Section 11.301, Education Code.

(n-1) The governing body of a school district, municipality, or county that adopted an exemption under Subsection (n) for the 2014 tax year may not reduce the amount of or repeal the exemption. This subsection expires December 31, 2019.

SECTION 2. Section 11.26(a), Tax Code, is amended to read as follows:

(a) The tax officials shall appraise the property to which this section applies and calculate taxes as on other property, but if the tax so calculated exceeds the limitation imposed by this section, the tax imposed is the amount of the tax as limited by this

1 section, except as otherwise provided by this section. A school  
2 district may not increase the total annual amount of ad valorem tax  
3 it imposes on the residence homestead of an individual 65 years of  
4 age or older or on the residence homestead of an individual who is  
5 disabled, as defined by Section 11.13, above the amount of the tax  
6 it imposed in the first tax year in which the individual qualified  
7 that residence homestead for the applicable exemption provided by  
8 Section 11.13(c) for an individual who is 65 years of age or older  
9 or is disabled. If the individual qualified that residence  
10 homestead for the exemption after the beginning of that first year  
11 and the residence homestead remains eligible for the same exemption  
12 for the next year, and if the school district taxes imposed on the  
13 residence homestead in the next year are less than the amount of  
14 taxes imposed in that first year, a school district may not  
15 subsequently increase the total annual amount of ad valorem taxes  
16 it imposes on the residence homestead above the amount it imposed in  
17 the year immediately following the first year for which the  
18 individual qualified that residence homestead for the same  
19 exemption, except as provided by Subsection (b). If the first tax  
20 year the individual qualified the residence homestead for the  
21 exemption provided by Section 11.13(c) for individuals 65 years of  
22 age or older or disabled was a tax year before the 2015 [~~1997~~] tax  
23 year, the amount of the limitation provided by this section is the  
24 amount of tax the school district imposed for the 2014 [~~1996~~] tax  
25 year less an amount equal to the amount determined by multiplying  
26 \$10,000 times the tax rate of the school district for the 2015  
27 [~~1997~~] tax year, plus any 2015 [~~1997~~] tax attributable to

1 improvements made in 2014 [~~1996~~], other than improvements made to  
2 comply with governmental regulations or repairs.

3 SECTION 3. Section 25.23, Tax Code, is amended by adding  
4 Subsection (a-1) to read as follows:

5 (a-1) This subsection applies only to the appraisal records  
6 for the 2015 tax year. If the appraisal records submitted to the  
7 appraisal review board include the taxable value of residence  
8 homesteads or show the amount of the exemption under Section  
9 11.13(b) applicable to residence homesteads, the chief appraiser  
10 shall prepare supplemental appraisal records that reflect an  
11 exemption amount under that subsection of \$25,000. This subsection  
12 expires December 31, 2016.

13 SECTION 4. Section 26.04, Tax Code, is amended by adding  
14 Subsections (a-1) and (c-1) to read as follows:

15 (a-1) On receipt of the appraisal roll for the 2015 tax  
16 year, the assessor for a school district shall determine the total  
17 taxable value of property taxable by the school district and the  
18 taxable value of new property based on a residence homestead  
19 exemption under Section 11.13(b) of \$25,000. This subsection  
20 expires December 31, 2016.

21 (c-1) An officer or employee designated by the governing  
22 body of a school district shall calculate the effective tax rate and  
23 the rollback tax rate of the school district for the 2015 tax year  
24 based on a residence homestead exemption under Section 11.13(b) of  
25 \$25,000. This subsection expires December 31, 2016.

26 SECTION 5. Section 26.08, Tax Code, is amended by adding  
27 Subsection (q) to read as follows:

1       (g) For purposes of this section, the effective maintenance  
2 and operations tax rate and the rollback tax rate of a school  
3 district for the 2015 tax year shall be calculated based on a  
4 residence homestead exemption under Section 11.13(b) of \$25,000.  
5 This subsection expires December 31, 2016.

6       SECTION 6. Section 26.09, Tax Code, is amended by adding  
7 Subsection (c-1) to read as follows:

8       (c-1) The assessor for a school district shall calculate the  
9 amount of tax imposed by the school district on a residence  
10 homestead for the 2015 tax year based on an exemption under Section  
11 11.13(b) of \$15,000 and separately based on an exemption under that  
12 subsection of \$25,000. This subsection expires December 31, 2016.

13       SECTION 7. Section 26.15, Tax Code, is amended by adding  
14 Subsection (h) to read as follows:

15       (h) The assessor for a school district shall correct the tax  
16 roll for the school district for the 2015 tax year to reflect the  
17 results of the election to approve the constitutional amendment  
18 proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015.  
19 This subsection expires December 31, 2016.

20       SECTION 8. Section 31.01, Tax Code, is amended by adding  
21 Subsections (d-2), (d-3), (d-4), and (d-5) to read as follows:

22       (d-2) This subsection and Subsections (d-3) and (d-4) apply  
23 only to taxes imposed by a school district on a residence homestead  
24 for the 2015 tax year. The assessor for the school district shall  
25 compute the amount of taxes imposed and the other information  
26 required by this section based on a residence homestead exemption  
27 under Section 11.13(b) of \$25,000. The tax bill or the separate

1 statement must indicate that the bill is a provisional tax bill and  
2 include a statement in substantially the following form:

3 "If the amount of the exemption from ad valorem taxation by a  
4 school district of a residence homestead had not been increased by  
5 the Texas Legislature, your tax bill would have been \$\_\_\_\_\_ (insert  
6 amount equal to the sum of the amount calculated under Section  
7 26.09(c-1) based on an exemption under Section 11.13(b) of \$15,000  
8 and the total amount of taxes imposed by the other taxing units  
9 whose taxes are included in the bill). Because of action by the  
10 Texas Legislature increasing the amount of the residence homestead  
11 exemption, your tax bill has been lowered by \$\_\_\_\_\_ (insert  
12 difference between amount calculated under Section 26.09(c-1)  
13 based on an exemption under Section 11.13(b) of \$15,000 and amount  
14 calculated under Section 26.09(c-1) based on an exemption under  
15 Section 11.13(b) of \$25,000), resulting in a lower tax bill of \$\_\_\_\_\_  
16 (insert amount equal to the sum of the amount calculated under  
17 Section 26.09(c-1) based on an exemption under Section 11.13(b) of  
18 \$25,000 and the total amount of taxes imposed by the other taxing  
19 units whose taxes are included in the bill), contingent on the  
20 approval by the voters at an election to be held November 3, 2015,  
21 of a constitutional amendment authorizing the residence homestead  
22 exemption increase. If the constitutional amendment is not  
23 approved by the voters at the election, a supplemental school  
24 district tax bill in the amount of \$\_\_\_\_\_ (insert difference between  
25 amount calculated under Section 26.09(c-1) based on an exemption  
26 under Section 11.13(b) of \$15,000 and amount calculated under  
27 Section 26.09(c-1) based on an exemption under Section 11.13(b) of

1 \$25,000) will be mailed to you."

2 (d-3) A tax bill prepared by the assessor for a school  
3 district as provided by Subsection (d-2) and mailed to a person in  
4 whose name property subject to an exemption under Section 11.13(b)  
5 is listed on the tax roll and to the person's authorized agent as  
6 provided by Subsection (a) of this section is considered to be a  
7 provisional tax bill until the canvass of the votes on the  
8 constitutional amendment proposed by S.J.R. 1, 84th Legislature,  
9 Regular Session, 2015. If the constitutional amendment is approved  
10 by the voters, the tax bill is considered to be a final tax bill for  
11 the taxes imposed on the property for the 2015 tax year, and no  
12 additional tax bill is required to be mailed to the person and to  
13 the person's authorized agent, unless another provision of this  
14 title requires the mailing of a corrected tax bill. If the  
15 constitutional amendment is not approved by the voters:

16 (1) a tax bill prepared by the assessor for a school  
17 district as provided by Subsection (d-2) and mailed to a person in  
18 whose name property subject to an exemption under Section 11.13(b)  
19 is listed on the tax roll and to the person's authorized agent as  
20 provided by Subsection (a) of this section is considered to be a  
21 final tax bill but only as to the portion of the taxes imposed on the  
22 property for the 2015 tax year that are included in the bill;

23 (2) the amount of taxes imposed by each school  
24 district on a residence homestead for the 2015 tax year is  
25 calculated based on an exemption under Section 11.13(b) of \$15,000;  
26 and

27 (3) except as provided by Subsections (f), (i-1), and

1 (k), the assessor for each school district shall prepare and mail a  
2 supplemental tax bill, by December 1 or as soon thereafter as  
3 practicable, to each person in whose name property subject to an  
4 exemption under Section 11.13(b) is listed on the tax roll and to  
5 the person's authorized agent in an amount equal to the difference  
6 between the amount calculated under Section 26.09(c-1) based on an  
7 exemption under Section 11.13(b) of \$15,000 and the amount  
8 calculated under Section 26.09(c-1) based on an exemption under  
9 Section 11.13(b) of \$25,000.

10 (d-4) Except as otherwise provided by Subsection (d-3), the  
11 provisions of this section other than Subsection (d-2) apply to a  
12 supplemental tax bill mailed under Subsection (d-3).

13 (d-5) This subsection and Subsections (d-2), (d-3), and  
14 (d-4) expire December 31, 2016.

15 SECTION 9. Section 31.02, Tax Code, is amended by adding  
16 Subsection (a-1) to read as follows:

17 (a-1) Except as provided by Subsection (b) of this section  
18 and Sections 31.03 and 31.04, taxes for which a supplemental tax  
19 bill is mailed under Section 31.01(d-3) are due on receipt of the  
20 tax bill and are delinquent if not paid before March 1 of the year  
21 following the year in which imposed. This subsection expires  
22 December 31, 2016.

23 SECTION 10. Subchapter A, Chapter 41, Education Code, is  
24 amended by adding Section 41.0011 to read as follows:

25 Sec. 41.0011. COMPUTATION OF WEALTH PER STUDENT FOR  
26 2015-2016 SCHOOL YEAR. Notwithstanding any other provision of this  
27 chapter, in computing a school district's wealth per student for

1 the 2015-2016 school year, a school district's taxable value of  
2 property under Subchapter M, Chapter 403, Government Code, is  
3 determined as if the increase in the residence homestead exemption  
4 under Section 1-b(c), Article VIII, Texas Constitution, and the  
5 additional limitation on tax increases under Section 1-b(d) of that  
6 article in effect for the 2015 tax year as proposed by S.J.R. 1,  
7 84th Legislature, Regular Session, 2015, had been in effect for the  
8 2014 tax year. This section expires September 1, 2016.

9 SECTION 11. Section 41.004, Education Code, is amended by  
10 adding Subsections (a-1), (b-1), and (c-1) to read as follows:

11 (a-1) This subsection applies only if the constitutional  
12 amendment proposed by S.J.R. 1, 84th Legislature, Regular Session,  
13 2015, is approved by the voters in an election held for that  
14 purpose. As soon as practicable after receiving revised property  
15 values that reflect adoption of the constitutional amendment, the  
16 commissioner shall review the wealth per student of districts in  
17 the state and revise as necessary the notifications provided under  
18 Subsection (a) for the 2015-2016 school year. This subsection  
19 expires September 1, 2016.

20 (b-1) This subsection applies only to a district that has  
21 not previously held an election under this chapter and is not  
22 eligible to reduce the district's wealth per student in the manner  
23 authorized by Section 41.0041. Notwithstanding Subsection (b), a  
24 district that enters into an agreement to exercise an option to  
25 reduce the district's wealth per student under Section 41.003(3),  
26 (4), or (5) for the 2015-2016 school year may request and, as  
27 provided by Section 41.0042(a), receive approval from the



1 commissioner to delay the date of the election otherwise required  
2 to be ordered before September 1. This subsection expires  
3 September 1, 2016.

4 (c-1) Notwithstanding Subsection (c), a district that  
5 receives approval from the commissioner to delay an election as  
6 provided by Subsection (b-1) may adopt a tax rate for the 2015 tax  
7 year before the commissioner certifies that the district has  
8 achieved the equalized wealth level. This subsection expires  
9 September 1, 2016.

10 SECTION 12. Subchapter A, Chapter 41, Education Code, is  
11 amended by adding Section 41.0042 to read as follows:

12 Sec. 41.0042. TRANSITIONAL PROVISIONS: INCREASED  
13 HOMESTEAD EXEMPTION AND LIMITATION ON TAX INCREASES. (a) The  
14 commissioner shall approve a district's request under Section  
15 41.004(b-1) to delay the date of an election required under this  
16 chapter if the commissioner determines that the district would not  
17 have a wealth per student that exceeds the equalized wealth level if  
18 the constitutional amendment proposed by S.J.R. 1, 84th  
19 Legislature, Regular Session, 2015, were approved by the voters.

20 (b) The commissioner shall set a date by which each district  
21 that receives approval under this section must order the election.

22 (c) Not later than the 2016-2017 school year, the  
23 commissioner shall order detachment and annexation of property  
24 under Subchapter G or consolidation under Subchapter H as necessary  
25 to achieve the equalized wealth level for a district that receives  
26 approval under this section and subsequently:

27 (1) fails to hold the election; or

1           (2) does not receive voter approval at the election.

2           (d) This section expires September 1, 2017.

3           SECTION 13. Subchapter A, Chapter 41, Education Code, is  
4 amended by adding Section 41.0121 to read as follows:

5           Sec. 41.0121. TRANSITIONAL ELECTION DATES. (a) This  
6 section applies only to an election under this chapter that occurs  
7 during the 2015-2016 school year.

8           (b) Section 41.012 does not apply to a district that  
9 receives approval of a request under Section 41.0042. The district  
10 shall hold the election on a Tuesday or Saturday on or before a date  
11 specified by the commissioner. Section 41.001, Election Code, does  
12 not apply to the election.

13           (c) This section expires September 1, 2016.

14           SECTION 14. Section 41.094, Education Code, is amended by  
15 adding Subsection (a-1) to read as follows:

16           (a-1) Notwithstanding Subsection (a), a district that  
17 receives approval of a request under Section 41.0042 shall pay for  
18 credits purchased in equal monthly payments as determined by the  
19 commissioner beginning March 15, 2016, and ending August 15, 2016.  
20 This subsection expires September 1, 2016.

21           SECTION 15. Subchapter D, Chapter 41, Education Code, is  
22 amended by adding Section 41.0981 to read as follows:

23           Sec. 41.0981. TRANSITIONAL EARLY AGREEMENT CREDIT.  
24 Notwithstanding Section 41.098, a district that receives approval  
25 of a request under Section 41.0042 may receive the early agreement  
26 credit described by Section 41.098 for the 2015-2016 school year if  
27 the district orders the election and obtains voter approval not

1 later than the date specified by the commissioner. This section  
2 expires September 1, 2016.

3 SECTION 16. Section 41.208, Education Code, is amended by  
4 adding Subsection (a-1) to read as follows:

5 (a-1) Notwithstanding Subsection (a), for the 2015-2016  
6 school year, the commissioner shall order any detachments and  
7 annexations of property under this subchapter as soon as  
8 practicable after the canvass of the votes on the constitutional  
9 amendment proposed by S.J.R. 1, 84th Legislature, Regular Session,  
10 2015. This subsection expires September 1, 2016.

11 SECTION 17. Subchapter E, Chapter 42, Education Code, is  
12 amended by adding Section 42.2518 to read as follows:

13 Sec. 42.2518. ADDITIONAL STATE AID FOR HOMESTEAD EXEMPTION  
14 AND LIMITATION ON TAX INCREASES. (a) For the 2015-2016 and  
15 2016-2017 school years, a school district is entitled to additional  
16 state aid to the extent that state and local revenue under this  
17 chapter and Chapter 41 is less than the state and local revenue that  
18 would have been available to the district under Chapter 41 and this  
19 chapter as those chapters existed on September 1, 2015, if the  
20 increase in the residence homestead exemption under Section 1-b(c),  
21 Article VIII, Texas Constitution, and the additional limitation on  
22 tax increases under Section 1-b(d) of that article as proposed by  
23 S.J.R. 1, 84th Legislature, Regular Session, 2015, had not  
24 occurred.

25 (b) The lesser of the school district's currently adopted  
26 maintenance and operations tax rate or the adopted maintenance and  
27 operations tax rate for the 2014 tax year is used for the purpose of

1 determining additional state aid under this section.

2 (c) Revenue from a school district maintenance and  
3 operations tax that is levied to pay costs of a lease-purchase  
4 agreement as described by Section 46.004 and that is included in  
5 determining state assistance under Subchapter A, Chapter 46, is  
6 included for the purpose of calculating state aid under this  
7 section.

8 (d) The commissioner, using information provided by the  
9 comptroller and other information as necessary, shall compute the  
10 amount of additional state aid to which a district is entitled under  
11 this section. A determination by the commissioner under this  
12 section is final and may not be appealed.

13 (e) This section expires August 31, 2017.

14 SECTION 18. Effective September 1, 2017, Subchapter E,  
15 Chapter 42, Education Code, is amended by adding Section 42.2518 to  
16 read as follows:

17 Sec. 42.2518. ADDITIONAL STATE AID FOR HOMESTEAD EXEMPTION  
18 AND LIMITATION ON TAX INCREASES. (a) Beginning with the 2017-2018  
19 school year, a school district is entitled to additional state aid  
20 to the extent that state and local revenue under this chapter and  
21 Chapter 41 is less than the state and local revenue that would have  
22 been available to the district under Chapter 41 and this chapter as  
23 those chapters existed on September 1, 2015, excluding any state  
24 aid that would have been provided under former Section 42.2516, if  
25 the increase in the residence homestead exemption under Section  
26 1-b(c), Article VIII, Texas Constitution, and the additional  
27 limitation on tax increases under Section 1-b(d) of that article as

1 proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had  
2 not occurred.

3 (b) The lesser of the school district's currently adopted  
4 maintenance and operations tax rate or the adopted maintenance and  
5 operations tax rate for the 2014 tax year is used for the purpose of  
6 determining additional state aid under this section.

7 (c) Revenue from a school district maintenance and  
8 operations tax that is levied to pay costs of a lease-purchase  
9 agreement as described by Section 46.004 and that is included in  
10 determining state assistance under Subchapter A, Chapter 46, is  
11 included for the purpose of calculating state aid under this  
12 section.

13 (d) The commissioner, using information provided by the  
14 comptroller and other information as necessary, shall compute the  
15 amount of additional state aid to which a district is entitled under  
16 this section. A determination by the commissioner under this  
17 section is final and may not be appealed.

18 SECTION 19. Section 42.252, Education Code, is amended by  
19 adding Subsection (e) to read as follows:

20 (e) Notwithstanding any other provision of this chapter, in  
21 computing each school district's local share of program cost under  
22 this section for the 2015-2016 school year, a school district's  
23 taxable value of property under Subchapter M, Chapter 403,  
24 Government Code, is determined as if the increase in the residence  
25 homestead exemption under Section 1-b(c), Article VIII, Texas  
26 Constitution, and the additional limitation on tax increases under  
27 Section 1-b(d) of that article in effect for the 2015 tax year as

1 proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had  
2 been in effect for the 2014 tax year. This subsection expires  
3 September 1, 2016.

4 SECTION 20. Section 42.302, Education Code, is amended by  
5 adding Subsection (g) to read as follows:

6 (g) Notwithstanding any other provision of this chapter, in  
7 computing a school district's enrichment tax rate ("DTR") and local  
8 revenue ("LR") for the 2015-2016 school year, a school district's  
9 taxable value of property under Subchapter M, Chapter 403,  
10 Government Code, is determined as if the increase in the residence  
11 homestead exemption under Section 1-b(c), Article VIII, Texas  
12 Constitution, and the additional limitation on tax increases under  
13 Section 1-b(d) of that article in effect for the 2015 tax year as  
14 proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had  
15 been in effect for the 2014 tax year. This subsection expires  
16 September 1, 2016.

17 SECTION 21. Section 46.003, Education Code, is amended by  
18 adding Subsection (i) to read as follows:

19 (i) Notwithstanding any other provision of this chapter, in  
20 computing a district's bond tax rate ("BTR") and taxable value of  
21 property ("DPV") for the 2015-2016 school year, a school district's  
22 taxable value of property under Subchapter M, Chapter 403,  
23 Government Code, is determined as if the increase in the residence  
24 homestead exemption under Section 1-b(c), Article VIII, Texas  
25 Constitution, and the additional limitation on tax increases under  
26 Section 1-b(d) of that article in effect for the 2015 tax year as  
27 proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had

1 been in effect for the 2014 tax year. This subsection expires  
2 September 1, 2016.

3 SECTION 22. Section 46.032, Education Code, is amended by  
4 adding Subsection (d) to read as follows:

5 (d) Notwithstanding any other provision of this chapter, in  
6 computing a district's existing debt tax rate ("EDTR") and taxable  
7 value of property ("DPV") for the 2015-2016 school year, a school  
8 district's taxable value of property under Subchapter M, Chapter  
9 403, Government Code, is determined as if the increase in the  
10 residence homestead exemption under Section 1-b(c), Article VIII,  
11 Texas Constitution, and the additional limitation on tax increases  
12 under Section 1-b(d) of that article in effect for the 2015 tax year  
13 as proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015,  
14 had been in effect for the 2014 tax year. This subsection expires  
15 September 1, 2016.

16 SECTION 23. Chapter 46, Education Code, is amended by  
17 adding Subchapter D to read as follows:

18 SUBCHAPTER D. STATE AID FOR HOMESTEAD EXEMPTION AND LIMITATION ON  
19 TAX INCREASES

20 Sec. 46.071. ADDITIONAL STATE AID FOR HOMESTEAD EXEMPTION  
21 AND LIMITATION ON TAX INCREASES. (a) Beginning with the 2015-2016  
22 school year, a school district is entitled to additional state aid  
23 under this subchapter to the extent that state and local revenue  
24 used to service debt eligible under this chapter is less than the  
25 state and local revenue that would have been available to the  
26 district under this chapter as it existed on September 1, 2015, if  
27 the increase in the residence homestead exemption under Section

1 1-b(c), Article VIII, Texas Constitution, and the additional  
2 limitation on tax increases under Section 1-b(d) of that article as  
3 proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had  
4 not occurred.

5 (b) Subject to Subsections (c)-(e), additional state aid  
6 under this section is equal to the amount by which the loss of local  
7 interest and sinking revenue for debt service attributable to the  
8 increase in the residence homestead exemption under Section 1-b(c),  
9 Article VIII, Texas Constitution, and the additional limitation on  
10 tax increases under Section 1-b(d) of that article as proposed by  
11 S.J.R. 1, 84th Legislature, Regular Session, 2015, is not offset by  
12 a gain in state aid under this chapter.

13 (c) For the purpose of determining state aid under this  
14 section, local interest and sinking revenue for debt service is  
15 limited to revenue required to service debt eligible under this  
16 chapter as of September 1, 2015, including refunding of that debt,  
17 subject to Section 46.061. The limitation imposed by Section  
18 46.034(a) does not apply for the purpose of determining state aid  
19 under this section.

20 (d) If the amount required to pay debt service eligible  
21 under this section is less than the sum of state and local  
22 assistance provided under this chapter, including the amount of  
23 additional aid provided under this section, the district may not  
24 receive aid under this section in excess of the amount that, when  
25 added to the district's local interest and sinking revenue for debt  
26 service for the school year, as defined by this section, and state  
27 aid under Subchapters A and B, equals the amount required to pay the



1 eligible debt service.

2 (e) The commissioner, using information provided by the  
3 comptroller and other information as necessary, shall compute the  
4 amount of additional state aid to which a district is entitled under  
5 this section. A determination by the commissioner under this  
6 section is final and may not be appealed.

7 SECTION 24. (a) Section 403.302(j), Government Code, is  
8 amended to read as follows:

9 (j) The [For purposes of Chapter 42, Education Code, the]  
10 comptroller shall certify the final taxable value for each school  
11 district, appropriately adjusted to give effect to certain  
12 provisions of the Education Code related to school funding, to the  
13 commissioner of education as provided by the terms of a memorandum  
14 of understanding entered into between the comptroller, the  
15 Legislative Budget Board, and the commissioner of education[+]

16 [ (1) a final value for each school district computed  
17 on a residence homestead exemption under Section 1-b(c), Article  
18 VIII, Texas Constitution, of \$5,000,

19 [ (2) a final value for each school district computed  
20 on:

21 [ (A) a residence homestead exemption under  
22 Section 1-b(c), Article VIII, Texas Constitution, of \$15,000, and

23 [ (B) the effect of the additional limitation on  
24 tax increases under Section 1-b(d), Article VIII, Texas  
25 Constitution, as proposed by H.J.R. No. 4, 75th Legislature,  
26 Regular Session, 1997, and

27 [ (3) a final value for each school district computed

~~1 on the effect of the reduction of the limitation on tax increases to  
2 reflect any reduction in the school district tax rate as provided by  
3 Section 11.26(a-1), (a-2), or (a-3), Tax Code, as applicable].~~

4 (b) Section 403.302(k), Government Code, is repealed.

5 SECTION 25. (a) An assessor or collector for a school  
6 district is not liable for civil damages or subject to criminal  
7 prosecution for compliance in good faith with Section 31.01, Tax  
8 Code, as amended by this Act.

9 (b) This section takes effect immediately if this Act  
10 receives a vote of two-thirds of all the members of each house, as  
11 provided by Section 39, Article III, Texas Constitution. If this  
12 Act does not receive the vote necessary for this section to take  
13 immediate effect, this section takes effect on the 91st day after  
14 the last day of the legislative session.

15 (c) This section expires December 31, 2018.

16 SECTION 26. This Act applies beginning with the 2015 tax  
17 year.

18 SECTION 27. (a) Except as provided by Subsection (b) of  
19 this section or as otherwise provided by this Act:

20 (1) this Act takes effect on the date on which the  
21 constitutional amendment proposed by S.J.R. 1, 84th Legislature,  
22 Regular Session, 2015, takes effect; and

23 (2) if that amendment is not approved by the voters,  
24 this Act has no effect.

25 (b) Sections 25.23(a-1), 26.04(a-1) and (c-1), 26.08(q),  
26 26.09(c-1), 26.15(h), 31.01(d-2), (d-3), (d-4), and (d-5), and  
27 31.02(a-1), Tax Code, and Sections 41.004(a-1), (b-1), and (c-1),

1 41.0042, 41.0121, 41.094(a-1), 41.0981, and 41.208(a-1), Education  
2 Code, as added by this Act, take effect immediately if this Act  
3 receives a vote of two-thirds of all the members elected to each  
4 house, as provided by Section 39, Article III, Texas Constitution.  
5 If this Act does not receive the vote necessary for those sections  
6 to have immediate effect, those sections take effect on the 91st day  
7 after the last day of the legislative session.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 1 passed the Senate on March 25, 2015, by the following vote: Yeas 26, Nays 5; May 25, 2015, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 27, 2015, House granted request of the Senate; May 29, 2015, Senate adopted Conference Committee Report by the following vote: Yeas 26, Nays 5.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 1 passed the House, with amendments, on May 25, 2015, by the following vote: Yeas 141, Nays 0, one present not voting; May 27, 2015, House granted request of the Senate for appointment of Conference Committee; May 29, 2015, House adopted Conference Committee Report by the following vote: Yeas 138, Nays 0, one present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor