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HOUSE OF REPRESENTATIVES

FLOOR AMENDMENT NO. _____

BY: Mary Gonzalez

1 Amend C.S.H.B. 21 (house committee printing) as follows:

2 (1) Add the following appropriately numbered SECTIONS and
3 renumber the SECTIONS accordingly:

4 SECTION _____. Section 7.062(c), Education Code, is amended
5 to read as follows:

6 (c) Except as otherwise provided by this subsection, if the
7 commissioner certifies that the amount appropriated for a state
8 fiscal year for purposes of Subchapters A and B, Chapter 46, exceeds
9 the amount to which school districts are entitled under those
10 subchapters for that year, the commissioner shall use the excess
11 funds, in an amount not to exceed \$20 million in any state fiscal
12 year, for the purpose of making grants under this section. The use
13 of excess funds under this subsection has priority over any
14 provision of Chapter 42 that permits or directs the use of excess
15 foundation school program funds, including Sections 42.2517,
16 42.2521, [~~42.2522~~] and 42.2531. The commissioner is required to
17 use excess funds as provided by this subsection only if the
18 commissioner is not required to reduce the total amount of state
19 funds allocated to school districts under Section 42.253(h).

20 SECTION _____. Sections 403.302(d), (e), (e-1), (i), and
21 (m), Government Code, are amended to read as follows:

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

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

28 (2) [~~one-half of the total dollar amount of any~~
29 ~~residence homestead exemptions granted under Section 11.13(n), Tax~~

1 Code, in the year that is the subject of the study for each school
2 district,

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

6 (3) ~~[(4)]~~ subject to Subsection (e), the total dollar
7 amount of any captured appraised value of property that:

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

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

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

25 (4) ~~[(5)]~~ the total dollar amount of any captured
26 appraised value of property that:

27 (A) is within a reinvestment zone:

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

30 (ii) the project plan for which includes
31 the alteration, remodeling, repair, or reconstruction of a

1 structure that is included on the National Register of Historic
2 Places and requires that a portion of the tax increment of the zone
3 be used for the improvement or construction of related facilities
4 or for affordable housing;

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

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

9 (5) [~~6~~] the total dollar amount of any exemptions
10 granted under Section 11.251 or 11.253, Tax Code;

11 (6) [~~7~~] the difference between the comptroller's
12 estimate of the market value and the productivity value of land that
13 qualifies for appraisal on the basis of its productive capacity,
14 except that the productivity value estimated by the comptroller may
15 not exceed the fair market value of the land;

16 (7) [~~8~~] the portion of the appraised value of
17 residence homesteads of individuals who receive a tax limitation
18 under Section 11.26, Tax Code, on which school district taxes are
19 not imposed in the year that is the subject of the study, calculated
20 as if the residence homesteads were appraised at the full value
21 required by law;

22 (8) [~~9~~] a portion of the market value of property
23 not otherwise fully taxable by the district at market value because
24 of:

25 (A) action required by statute or the
26 constitution of this state, other than Section 11.311, Tax Code,
27 that, if the tax rate adopted by the district is applied to it,
28 produces an amount equal to the difference between the tax that the
29 district would have imposed on the property if the property were
30 fully taxable at market value and the tax that the district is
31 actually authorized to impose on the property, if this subsection

1 does not otherwise require that portion to be deducted; or

2 (B) action taken by the district under Subchapter
3 B or C, Chapter 313, Tax Code, before the expiration of the
4 subchapter;

5 (9) [~~(10)~~] the market value of all tangible personal
6 property, other than manufactured homes, owned by a family or
7 individual and not held or used for the production of income;

8 (10) [~~(11)~~] the appraised value of property the
9 collection of delinquent taxes on which is deferred under Section
10 33.06, Tax Code;

11 (11) [~~(12)~~] the portion of the appraised value of
12 property the collection of delinquent taxes on which is deferred
13 under Section 33.065, Tax Code; and

14 (12) [~~(13)~~] the amount by which the market value of a
15 residence homestead to which Section 23.23, Tax Code, applies
16 exceeds the appraised value of that property as calculated under
17 that section.

18 (e) The total dollar amount deducted in each year as
19 required by Subsection (d)(3) [~~(d)(4)~~] in a reinvestment zone
20 created after January 1, 1999, may not exceed the captured
21 appraised value estimated for that year as required by Section
22 311.011(c)(8), Tax Code, in the reinvestment zone financing plan
23 approved under Section 311.011(d), Tax Code, before September 1,
24 1999. The number of years for which the total dollar amount may be
25 deducted under Subsection (d)(3) [~~(d)(4)~~] shall for any zone,
26 including those created on or before January 1, 1999, be limited to
27 the duration of the zone as specified as required by Section
28 311.011(c)(9), Tax Code, in the reinvestment zone financing plan
29 approved under Section 311.011(d), Tax Code, before September 1,
30 1999. The total dollar amount deducted under Subsection (d)(3)
31 [~~(d)(4)~~] for any zone, including those created on or before January

1 1, 1999, may not be increased by any reinvestment zone financing
2 plan amendments that occur after August 31, 1999. The total dollar
3 amount deducted under Subsection (d)(3) [~~(d)(4)~~] for any zone,
4 including those created on or before January 1, 1999, may not be
5 increased by a change made after August 31, 1999, in the portion of
6 the tax increment retained by the school district.

7 (e-1) This subsection applies only to a reinvestment zone
8 created by a municipality that has a population of 70,000 or less
9 and is located in a county in which all or part of a military
10 installation is located. Notwithstanding Subsection (e), if on or
11 after January 1, 2017, the municipality adopts an ordinance
12 designating a termination date for the zone that is later than the
13 termination date designated in the ordinance creating the zone, the
14 number of years for which the total dollar amount may be deducted
15 under Subsection (d)(3) [~~(d)(4)~~] is limited to the duration of the
16 zone as determined under Section 311.017, Tax Code.

17 (i) If the comptroller determines in the study that the
18 market value of property in a school district as determined by the
19 appraisal district that appraises property for the school district,
20 less the total of the amounts and values listed in Subsection (d) as
21 determined by that appraisal district, is valid, the comptroller,
22 in determining the taxable value of property in the school district
23 under Subsection (d), shall for purposes of Subsection (d)(12)
24 [~~(d)(13)~~] subtract from the market value as determined by the
25 appraisal district of residence homesteads to which Section 23.23,
26 Tax Code, applies the amount by which that amount exceeds the
27 appraised value of those properties as calculated by the appraisal
28 district under Section 23.23, Tax Code. If the comptroller
29 determines in the study that the market value of property in a
30 school district as determined by the appraisal district that
31 appraises property for the school district, less the total of the

1 amounts and values listed in Subsection (d) as determined by that
2 appraisal district, is not valid, the comptroller, in determining
3 the taxable value of property in the school district under
4 Subsection (d), shall for purposes of Subsection (d)(12) [~~(d)(13)~~]
5 subtract from the market value as estimated by the comptroller of
6 residence homesteads to which Section 23.23, Tax Code, applies the
7 amount by which that amount exceeds the appraised value of those
8 properties as calculated by the appraisal district under Section
9 23.23, Tax Code.

10 (m) Subsection (d)(8) [~~(d)(9)~~] does not apply to property
11 that was the subject of an application under Subchapter B or C,
12 Chapter 313, Tax Code, made after May 1, 2009, that the comptroller
13 recommended should be disapproved.

14 SECTION _____. Section 311.011(h), Tax Code, is amended to
15 read as follows:

16 (h) Unless specifically provided otherwise in the plan, all
17 amounts contained in the project plan or reinvestment zone
18 financing plan, including amounts of expenditures relating to
19 project costs and amounts relating to participation by taxing
20 units, are considered estimates and do not act as a limitation on
21 the described items, but the amounts contained in the project plan
22 or reinvestment zone financing plan may not vary materially from
23 the estimates. This subsection may not be construed to increase the
24 amount of any reduction under Section 403.302(d)(3)
25 [~~403.302(d)(4)~~], Government Code, in the total taxable value of the
26 property in a school district that participates in the zone as
27 computed under Section 403.302(d) of that code.

28 SECTION _____. Section 403.302, Government Code, as amended
29 by this Act, applies only to an annual school district property
30 value study conducted for a tax year that begins on or after January
31 1, 2018.

1 (2) On page 20, line 22, strike "and".

2 (3) On page 20, line 23, strike the period and substitute "
3 and".

4 (4) On page 20, between lines 23 and 24, add the following
5 appropriately numbered subdivision and renumber the subdivisions
6 accordingly:

7 () Section 42.2522.