

By: VanDeaver, Howard

H.B. No. 486

Substitute the following for H.B. No. 486:

By: Stephenson

C.S.H.B. No. 486

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the calculation of the rollback tax rate of a school
3 district.

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

5 SECTION 1. Section 26.08, Tax Code, is amended by adding
6 Subsections (q), (r), and (s) to read as follows:

7 (q) This subsection applies only to a school district
8 described by Subsection (n) whose adopted tax rate was approved at
9 an election under this section in the 2006 tax year or any
10 subsequent tax year. Notwithstanding Subsection (n), for purposes
11 of this section, the rollback tax rate of the school district is the
12 higher of:

13 (1) the amount computed under Subsection (n); or

14 (2) the sum of the following:

15 (A) the highest maintenance and operations tax
16 rate adopted by the district for the 2007 tax year or any subsequent
17 tax year in which the adopted tax rate of the district was approved
18 at an election under this section; and

19 (B) the district's current debt rate.

20 (r) Subsection (q) applies to a school district only if the
21 district has adopted a tax rate equal to or higher than the rate
22 provided by that subsection for any tax year in the preceding 10 tax
23 years.

24 (s) Subsection (q) does not apply to a school district if:

1 (1) in the 2007 tax year or a subsequent tax year
2 before the 2016 tax year the district's adopted tax rate was
3 approved at an election under this section and the maintenance and
4 operations tax rate adopted by the district for that tax year was
5 higher than the sum of the rates described by Subsections
6 (n)(2)(A)(i) and (ii);

7 (2) in the 2016 tax year the district adopted a
8 maintenance and operations tax rate that was:

9 (A) lower than the highest maintenance and
10 operations tax rate adopted by the district for a tax year in which
11 the district's adopted tax rate was approved at an election in a tax
12 year described by Subdivision (1); and

13 (B) higher than the sum of the rates described by
14 Subsections (n)(2)(A)(i) and (ii); and

15 (3) the district's adopted tax rate has not been
16 approved at an election under this section since the 2016 tax year.

17 SECTION 2. The change in law made by this Act applies to the
18 ad valorem tax rate of a school district beginning with the 2018 tax
19 year.

20 SECTION 3. This Act takes effect January 1, 2018.