

By: Perez

H.B. No. 1017

A BILL TO BE ENTITLED

AN ACT

relating to the calculation of the ad valorem rollback tax rate of a municipality.

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

SECTION 1. Section 26.04, Tax Code, is amended by adding Subsection (c-1) to read as follows:

(c-1) Notwithstanding any other provision of this section, if this section is amended by an act of the 85th Legislature or a subsequent legislature of this state and the effect of the amendment is to reduce the rollback tax rate of a municipality, the governing body of the municipality may direct the designated officer or employee to calculate the rollback tax rate of the municipality in accordance with this section as it existed on January 1, 2016.

SECTION 2. Section 26.041, Tax Code, is amended by adding Subsection (c-1) to read as follows:

(c-1) Notwithstanding any other provision of this section, if this section is amended by an act of the 85th Legislature or a subsequent legislature of this state and the effect of the amendment is to reduce the rollback tax rate of a municipality, the governing body of the municipality may direct the designated officer or employee to calculate the rollback tax rate of the municipality in accordance with this section as it existed on January 1, 2016.

1 SECTION 3. (a) The change in law made by this Act applies to
2 the ad valorem tax rate of a municipality beginning with the 2017
3 tax year, except as provided by Subsection (b) of this section.

4 (b) If the governing body of a municipality adopted an ad
5 valorem tax rate for the municipality for the 2017 tax year before
6 the effective date of this Act, the change in law made by this Act
7 applies to the ad valorem tax rate of that municipality beginning
8 with the 2018 tax year, and the law in effect when the tax rate was
9 adopted applies to the 2017 tax year with respect to that
10 municipality.

11 SECTION 4. This Act takes effect immediately if it receives
12 a vote of two-thirds of all the members elected to each house, as
13 provided by Section 39, Article III, Texas Constitution. If this
14 Act does not receive the vote necessary for immediate effect, this
15 Act takes effect September 1, 2017.