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HOUSE OF REPRESENTATIVES

FLOOR AMENDMENT NO. \_\_\_\_\_

BY: Middleton

1 Amend C.S.H.B. No. 2 (house committee printing) as follows:

2 (1) Add the following appropriately numbered SECTION to the  
3 bill and renumber the SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_\_. Sections 26.08(g), (i), (n), and (p), Tax  
5 Code, are amended to read as follows:

6 (g) In a school district that received distributions from an  
7 equalization tax imposed under former Chapter 18, Education Code,  
8 the no-new-revenue tax ~~[effective]~~ rate of that tax as of the date  
9 of the county unit system's abolition is added to the district's  
10 rollback tax rate.

11 (i) For purposes of this section, the no-new-revenue  
12 ~~[effective]~~ maintenance and operations tax rate of a school  
13 district is the tax rate that, applied to the current total value  
14 for the district, would impose taxes in an amount that, when added  
15 to state funds that would be distributed to the district under  
16 Chapter 42, Education Code, or its successor for the school year  
17 beginning in the current tax year using that tax rate, would provide  
18 the same amount of state funds distributed under Chapter 42,  
19 Education Code, or its successor and maintenance and operations  
20 taxes of the district per student in weighted average daily  
21 attendance for that school year that would have been available to  
22 the district in the preceding year if the funding elements for  
23 Chapters 41 and 42, Education Code, or their successors for the  
24 current year had been in effect for the preceding year.

25 (n) For purposes of this section, the rollback tax rate of a  
26 school district is ~~[whose maintenance and operations tax rate for~~  
27 ~~the 2005 tax year was \$1.50 or less per \$100 of taxable value is.~~

28 ~~[(1) for the 2006 tax year, the sum of the rate that is~~  
29 ~~equal to 88.67 percent of the maintenance and operations tax rate~~

1 ~~adopted by the district for the 2005 tax year, the rate of \$0.04 per~~  
2 ~~\$100 of taxable value, and the district's current debt rate, and~~  
3 ~~[(2) for the 2007 and subsequent tax years,]~~ the  
4 lesser of the following:

5 (1) ~~[(A)]~~ the sum of the following:

6 (A) ~~[(i)]~~ the rate per \$100 of taxable value that  
7 is equal to the product of the state compression percentage, as  
8 determined under Section 42.2516, Education Code, for the current  
9 year and \$1.50;

10 (B) ~~[(ii)]~~ the rate of \$0.04 per \$100 of taxable  
11 value;

12 (C) ~~[(iii)]~~ the rate that is equal to the sum of  
13 the differences for the 2006 and each subsequent tax year between  
14 the adopted tax rate of the district for that year if the rate was  
15 approved at an election under this section and the rollback tax rate  
16 of the district for that year; and

17 (D) ~~[(iv)]~~ the district's current debt rate; or

18 (2) ~~[(B)]~~ the sum of the following:

19 (A) ~~[(i) the effective maintenance and~~  
20 ~~operations tax rate of the district as computed under Subsection~~  
21 ~~(i) or (k), as applicable,~~

22 ~~[(ii)]~~ the rate per \$100 of taxable value  
23 that is equal to the product of the no-new-revenue maintenance and  
24 operations tax rate of the district ~~[state compression percentage],~~  
25 as computed under Subsection (i), and 1.025 ~~[determined under~~  
26 ~~Section 42.2516, Education Code, for the current year and \$0.06];~~  
27 and

28 (B) ~~[(iii)]~~ the district's current debt rate.

29 (p) Notwithstanding Subsections (i) ~~and~~<sub>7</sub> (n), ~~[and (o)],~~  
30 if for the preceding tax year a school district adopted a  
31 maintenance and operations tax rate that was less than the

1 district's no-new-revenue [~~effective~~] maintenance and operations  
2 tax rate for that preceding tax year, the rollback tax rate of the  
3 district for the current tax year is calculated as if the district  
4 adopted a maintenance and operations tax rate for the preceding tax  
5 year that was equal to the district's no-new-revenue [~~effective~~]  
6 maintenance and operations tax rate for that preceding tax year.

7 (2) On page 110, line 10, strike "22.23(c)," and substitute  
8 "22.23(c), 26.08(o),".