

By: Kolkhorst

S.B. No. 1161

A BILL TO BE ENTITLED

AN ACT

relating to the determination of the total taxable value of property in a school district under the property value study conducted by the comptroller of public accounts.

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

SECTION 1. Sections 403.302(d) and (m), Government Code, are amended to read as follows:

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

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

(2) one-half of the total dollar amount of any residence homestead exemptions granted under Section 11.13(n), Tax Code, in the year that is the subject of the study for each school district;

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

(4) subject to Subsection (e), the total dollar amount of any captured appraised value of property that:

(A) is within a reinvestment zone created on or before May 31, 1999, or is proposed to be included within the

1 boundaries of a reinvestment zone as the boundaries of the zone and  
2 the proposed portion of tax increment paid into the tax increment  
3 fund by a school district are described in a written notification  
4 provided by the municipality or the board of directors of the zone  
5 to the governing bodies of the other taxing units in the manner  
6 provided by former Section 311.003(e), Tax Code, before May 31,  
7 1999, and within the boundaries of the zone as those boundaries  
8 existed on September 1, 1999, including subsequent improvements to  
9 the property regardless of when made;

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

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

16 (5) the total dollar amount of any captured appraised  
17 value of property that:

18 (A) is within a reinvestment zone:

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

21 (ii) the project plan for which includes  
22 the alteration, remodeling, repair, or reconstruction of a  
23 structure that is included on the National Register of Historic  
24 Places and requires that a portion of the tax increment of the zone  
25 be used for the improvement or construction of related facilities  
26 or for affordable housing;

27 (B) generates school district taxes that are paid

1 into a tax increment fund created under Chapter 311, Tax Code; and

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

4 (6) the total dollar amount of any exemptions granted  
5 under Section 11.251 or 11.253, Tax Code;

6 (7) the difference between the comptroller's estimate  
7 of the market value and the productivity value of land that  
8 qualifies for appraisal on the basis of its productive capacity,  
9 except that the productivity value estimated by the comptroller may  
10 not exceed the fair market value of the land;

11 (8) the portion of the appraised value of residence  
12 homesteads of individuals who receive a tax limitation under  
13 Section 11.26, Tax Code, on which school district taxes are not  
14 imposed in the year that is the subject of the study, calculated as  
15 if the residence homesteads were appraised at the full value  
16 required by law;

17 (9) a portion of the market value of property not  
18 otherwise fully taxable by the school district at market value  
19 because of[÷

20 [~~(A)~~] action required by statute or the  
21 constitution of this state, other than Section 11.311, Tax Code,  
22 that, if the tax rate adopted by the district is applied to it,  
23 produces an amount equal to the difference between the tax that the  
24 district would have imposed on the property if the property were  
25 fully taxable at market value and the tax that the district is  
26 actually authorized to impose on the property, if this subsection  
27 does not otherwise require that portion to be deducted;

1           (9-a) the amount equal to one-half of the portion of  
2 the market value of property not otherwise fully taxable by the  
3 school district at market value because of ~~or~~

4           ~~[(B)]~~ action taken by the district under  
5 Subchapter B or C, Chapter 313, Tax Code, before the expiration of  
6 that ~~the~~ subchapter;

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

10           (11) the appraised value of property the collection of  
11 delinquent taxes on which is deferred under Section 33.06, Tax  
12 Code;

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

16           (13) the amount by which the market value of a  
17 residence homestead to which Section 23.23, Tax Code, applies  
18 exceeds the appraised value of that property as calculated under  
19 that section.

20           (m) Subsection (d)(9-a) ~~[(d)(9)]~~ does not apply to property  
21 that was the subject of an application under Subchapter B or C,  
22 Chapter 313, Tax Code, made after May 1, 2009, that the comptroller  
23 recommended should be disapproved.

24           SECTION 2. The change in law made by this Act applies only  
25 to the study conducted under Section 403.302, Government Code, for  
26 a tax year that begins on or after January 1, 2020. The study for a  
27 tax year that begins before that date is covered by the law in

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1 effect immediately before the effective date of this Act, and the  
2 prior law is continued in effect for that purpose.

3 SECTION 3. This Act takes effect September 1, 2019.