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HOUSE OF REPRESENTATIVES

FLOOR AMENDMENT NO. _____

BY: Howard

1 Amend C.S.H.B. No. 1525 (house committee printing) as
2 follows:

3 (1) On page 23, between lines 15 and 16, insert the
4 following appropriately numbered SECTION:

5 SECTION _____. Section 11.26, Tax Code, is amended by adding
6 Subsections (a-4), (a-5), (a-6), (a-7), (a-8), and (a-9) to read as
7 follows:

8 (a-4) In this section, "maximum compressed rate" means the
9 maximum compressed rate of a school district as calculated under
10 Section 48.2551, Education Code.

11 (a-5) Notwithstanding the other provisions of this section,
12 if in the 2022 tax year an individual qualifies for a limitation on
13 tax increases provided by this section on the individual's
14 residence homestead and the first tax year the individual or the
15 individual's spouse qualified for an exemption under Section
16 11.13(c) for the same homestead was a tax year before the 2019 tax
17 year, the amount of the limitation provided by this section on the
18 homestead in the 2022 tax year is equal to the amount computed by:

19 (1) multiplying the taxable value of the homestead in
20 the 2018 tax year by a tax rate equal to the difference between the
21 school district's tier one maintenance and operations rate for the
22 2018 tax year and the district's maximum compressed rate for the
23 2019 tax year;

24 (2) subtracting the greater of zero or the amount
25 computed under Subdivision (1) from the amount of tax the district
26 imposed on the homestead in the 2018 tax year;

27 (3) adding any tax imposed in the 2019 tax year
28 attributable to improvements made in the 2018 tax year as provided
29 by Subsection (b) to the amount computed under Subdivision (2);

1 (4) multiplying the taxable value of the homestead in
2 the 2019 tax year by a tax rate equal to the difference between the
3 district's maximum compressed rate for the 2019 tax year and the
4 district's maximum compressed rate for the 2020 tax year;

5 (5) subtracting the amount computed under Subdivision
6 (4) from the amount computed under Subdivision (3);

7 (6) adding any tax imposed in the 2020 tax year
8 attributable to improvements made in the 2019 tax year as provided
9 by Subsection (b) to the amount computed under Subdivision (5);

10 (7) multiplying the taxable value of the homestead in
11 the 2020 tax year by a tax rate equal to the difference between the
12 district's maximum compressed rate for the 2020 tax year and the
13 district's maximum compressed rate for the 2021 tax year;

14 (8) subtracting the amount computed under Subdivision
15 (7) from the amount computed under Subdivision (6);

16 (9) adding any tax imposed in the 2021 tax year
17 attributable to improvements made in the 2020 tax year as provided
18 by Subsection (b) to the amount computed under Subdivision (8);

19 (10) multiplying the taxable value of the homestead in
20 the 2021 tax year by a tax rate equal to the difference between the
21 district's maximum compressed rate for the 2021 tax year and the
22 district's maximum compressed rate for the 2022 tax year;

23 (11) subtracting the amount computed under
24 Subdivision (10) from the amount computed under Subdivision (9);
25 and

26 (12) adding any tax imposed in the 2022 tax year
27 attributable to improvements made in the 2021 tax year as provided
28 by Subsection (b) to the amount computed under Subdivision (11).

29 (a-6) Notwithstanding the other provisions of this section,
30 if in the 2022 tax year an individual qualifies for a limitation on
31 tax increases provided by this section on the individual's

1 residence homestead and the first tax year the individual or the
2 individual's spouse qualified for an exemption under Section
3 11.13(c) for the same homestead was the 2019 tax year, the amount of
4 the limitation provided by this section on the homestead in the 2022
5 tax year is equal to the amount computed by:

6 (1) multiplying the taxable value of the homestead in
7 the 2019 tax year by a tax rate equal to the difference between the
8 school district's maximum compressed rate for the 2019 tax year and
9 the district's maximum compressed rate for the 2020 tax year;

10 (2) subtracting the amount computed under Subdivision
11 (1) from the amount of tax the district imposed on the homestead in
12 the 2019 tax year;

13 (3) adding any tax imposed in the 2020 tax year
14 attributable to improvements made in the 2019 tax year as provided
15 by Subsection (b) to the amount computed under Subdivision (2);

16 (4) multiplying the taxable value of the homestead in
17 the 2020 tax year by a tax rate equal to the difference between the
18 district's maximum compressed rate for the 2020 tax year and the
19 district's maximum compressed rate for the 2021 tax year;

20 (5) subtracting the amount computed under Subdivision
21 (4) from the amount computed under Subdivision (3);

22 (6) adding any tax imposed in the 2021 tax year
23 attributable to improvements made in the 2020 tax year as provided
24 by Subsection (b) to the amount computed under Subdivision (5);

25 (7) multiplying the taxable value of the homestead in
26 the 2021 tax year by a tax rate equal to the difference between the
27 district's maximum compressed rate for the 2021 tax year and the
28 district's maximum compressed rate for the 2022 tax year;

29 (8) subtracting the amount computed under Subdivision
30 (7) from the amount computed under Subdivision (6); and

31 (9) adding any tax imposed in the 2022 tax year

1 attributable to improvements made in the 2021 tax year as provided
2 by Subsection (b) to the amount computed under Subdivision (8).

3 (a-7) Notwithstanding the other provisions of this section,
4 if in the 2022 tax year an individual qualifies for a limitation on
5 tax increases provided by this section on the individual's
6 residence homestead and the first tax year the individual or the
7 individual's spouse qualified for an exemption under Section
8 11.13(c) for the same homestead was the 2020 tax year, the amount of
9 the limitation provided by this section on the homestead in the 2022
10 tax year is equal to the amount computed by:

11 (1) multiplying the taxable value of the homestead in
12 the 2020 tax year by a tax rate equal to the difference between the
13 school district's maximum compressed rate for the 2020 tax year and
14 the district's maximum compressed rate for the 2021 tax year;

15 (2) subtracting the amount computed under Subdivision
16 (1) from the amount of tax the district imposed on the homestead in
17 the 2020 tax year;

18 (3) adding any tax imposed in the 2021 tax year
19 attributable to improvements made in the 2020 tax year as provided
20 by Subsection (b) to the amount computed under Subdivision (2);

21 (4) multiplying the taxable value of the homestead in
22 the 2021 tax year by a tax rate equal to the difference between the
23 district's maximum compressed rate for the 2021 tax year and the
24 district's maximum compressed rate for the 2022 tax year;

25 (5) subtracting the amount computed under Subdivision
26 (4) from the amount computed under Subdivision (3); and

27 (6) adding any tax imposed in the 2022 tax year
28 attributable to improvements made in the 2021 tax year as provided
29 by Subsection (b) to the amount computed under Subdivision (5).

30 (a-8) Notwithstanding the other provisions of this section,
31 if in the 2022 tax year an individual qualifies for a limitation on

1 tax increases provided by this section on the individual's
2 residence homestead and the first tax year the individual or the
3 individual's spouse qualified for an exemption under Section
4 11.13(c) for the same homestead was the 2021 tax year, the amount of
5 the limitation provided by this section on the homestead in the 2022
6 tax year is equal to the amount computed by:

7 (1) multiplying the taxable value of the homestead in
8 the 2021 tax year by a tax rate equal to the difference between the
9 school district's maximum compressed rate for the 2021 tax year and
10 the district's maximum compressed rate for the 2022 tax year;

11 (2) subtracting the amount computed under Subdivision
12 (1) from the amount of tax the district imposed on the homestead in
13 the 2021 tax year; and

14 (3) adding any tax imposed in the 2022 tax year
15 attributable to improvements made in the 2021 tax year as provided
16 by Subsection (b) to the amount computed under Subdivision (2).

17 (a-9) Notwithstanding the other provisions of this section,
18 if in the 2023 or a subsequent tax year an individual qualifies for
19 a limitation on tax increases provided by this section on the
20 individual's residence homestead, the amount of the limitation
21 provided by this section on the homestead is equal to the amount
22 computed by:

23 (1) multiplying the taxable value of the homestead in
24 the preceding tax year by a tax rate equal to the difference between
25 the school district's maximum compressed rate for the preceding tax
26 year and the district's maximum compressed rate for the current tax
27 year;

28 (2) subtracting the amount computed under Subdivision
29 (1) from the amount of tax the district imposed on the homestead in
30 the preceding tax year; and

31 (3) adding any tax imposed in the current tax year

1 attributable to improvements made in the preceding tax year as
2 provided by Subsection (b) to the amount computed under Subdivision
3 (2).

4 (2) Strike SECTION 29 of the bill (page 24, line 3), and
5 substitute the following appropriately numbered SECTIONS:

6 SECTION _____. Section 11.26, Tax Code, as amended by this
7 Act, applies only to ad valorem taxes imposed for a tax year
8 beginning on or after January 1, 2022.

9 SECTION _____. (a) Except as provided by Subsection (b) of
10 this section, this Act takes effect September 1, 2021.

11 (b) Section 11.26, Tax Code, as amended by this Act, takes
12 effect January 1, 2022, but only if the constitutional amendment
13 proposed by the 87th Legislature, Regular Session, 2021,
14 authorizing the legislature to provide for the reduction of the
15 amount of a limitation on the total amount of ad valorem taxes that
16 may be imposed for general elementary and secondary public school
17 purposes on the residence homestead of a person who is elderly or
18 disabled to reflect any statutory reduction from the preceding tax
19 year in the maximum compressed rate of the maintenance and
20 operations taxes imposed for those purposes on the homestead is
21 approved by the voters. If that amendment is not approved by the
22 voters, Section 11.26, Tax Code, as amended by this Act, has no
23 effect.

24 (3) Renumber the SECTIONS of the bill accordingly.