

By: Paxton

S.B. No. 1131

A BILL TO BE ENTITLED

AN ACT

relating to the calculation of "last year's levy" for purposes of calculating certain ad valorem tax rates of a taxing unit.

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

SECTION 1. Section 26.012(13), Tax Code, is amended to read as follows:

(13) "Last year's levy" means the total of:

(A) the amount of taxes that would be generated by multiplying the total tax rate adopted by the governing body in the preceding year by the total taxable value of property on the appraisal roll for the preceding year, including:

(i) taxable value that was reduced in an appeal under Chapter 42;

(ii) all appraisal roll supplements and corrections other than corrections made pursuant to Section 25.25(d), as of the date of the calculation, except that last year's taxable value for a school district excludes the total value of homesteads that qualified for a tax limitation as provided by Section 11.26 and last year's taxable value for a county, municipality, or junior college district excludes the total value of homesteads that qualified for a tax limitation as provided by Section 11.261; and

(iii) the amount [~~portion~~] of taxable value equal to the difference between:

1 (a) the total taxable value for the
2 preceding year of property taxable by the taxing unit in the
3 preceding year that is the subject of an appeal under Chapter 42 on
4 July 25; and

5 (b) the product of the amount
6 described by Sub-subparagraph (a) and the average percentage,
7 expressed as a decimal, by which the total taxable value of property
8 taxable by the taxing unit was reduced on appeal under Chapter 42
9 during the five-year period ending with the preceding tax year
10 [~~that is not in dispute~~]; and

11 (B) the amount of taxes refunded by the taxing
12 unit in the preceding year for tax years before that year.

13 SECTION 2. The change in law made by this Act applies only
14 to ad valorem taxes imposed for a tax year beginning on or after the
15 effective date of this Act.

16 SECTION 3. This Act takes effect January 1, 2022.