

By: Bettencourt

S.B. No. 1

A BILL TO BE ENTITLED

AN ACT

relating to providing property tax relief through the public school finance system.

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

ARTICLE 1. SHORT TITLE

SECTION 1.01. This Act may be cited as the Property Tax Relief Act.

ARTICLE 2. SCHOOL DISTRICT TAX RATE COMPRESSION

SECTION 2.01. Subchapter F, Chapter 48, Education Code, is amended by adding Sections 48.2555 and 48.283 to read as follows:

Sec. 48.2555. MAXIMUM COMPRESSED TAX RATE FOR 2023-2024 SCHOOL YEAR. (a) Notwithstanding any other provision of this title or Chapter 26, Tax Code, for the 2023-2024 school year, the commissioner shall calculate the value of a school district's maximum compressed tax rate by determining the district's maximum compressed rate under Section 48.2551 or 48.2552(b), if applicable, and reducing the tax rate determined under the applicable section by \$0.10.

(b) If a school district's maximum compressed tax rate as calculated under Subsection (a) would be less than 90 percent of another school district's maximum compressed tax rate under Subsection (a), the district's maximum compressed tax rate is the value at which the district's maximum compressed tax rate would be equal to 90 percent of the other district's maximum compressed tax

1 rate.

2 (c) Notwithstanding any other provision of this title or  
3 Chapter 26, Tax Code, for purposes of determining funding for  
4 school districts for the 2023-2024 school year, a reference in any  
5 of the following provisions of law to a school district's maximum  
6 compressed tax rate or maximum compressed rate as determined under  
7 Section 48.2551 means the maximum compressed tax rate determined  
8 for the district under this section:

9 (1) Section 13.054(f);

10 (2) Section 45.003(d);

11 (3) Section 45.0032(a);

12 (4) Section 48.051(a);

13 (5) Sections 48.2553(a) and (e); and

14 (6) Section 26.08(n), Tax Code.

15 (d) For purposes of Section 30.003(f-1), a reference in that  
16 section to Section 48.2551 includes this section.

17 (e) Notwithstanding any other provision of this title, for  
18 purposes of determining a school district's maximum compressed tax  
19 rate under Section 48.2551 for the 2024-2025 school year, the value  
20 of the district's "PYMCR" is the maximum compressed tax rate  
21 determined for the district under this section for the preceding  
22 school year.

23 (f) This section expires September 1, 2025.

24 Sec. 48.283. ADDITIONAL STATE AID FOR CERTAIN DISTRICTS  
25 IMPACTED BY COMPRESSION. (a) For the 2023-2024 and 2024-2025  
26 school years, a school district that received an adjustment under  
27 Section 48.257(b) for the 2022-2023 school year is entitled to

1 additional state aid in an amount equal to the difference, if the  
2 difference is greater than zero, between:

3 (1) the amount of state and local revenue that would  
4 have been available to the district under this chapter and Chapter  
5 49 for the current school year if the district's maximum compressed  
6 tax rate had not been reduced under Section 48.2555, as added by  
7 S.B. 1, Acts of the 88th Legislature, 1st Called Session, 2023; and

8 (2) the amount of state and local revenue available to  
9 the district under this chapter and Chapter 49 for the current  
10 school year.

11 (b) This section expires September 1, 2026.

12 ARTICLE 3. SCHOOL DISTRICT RESIDENCE HOMESTEAD EXEMPTION

13 SECTION 3.01. Section 11.13(b), Tax Code, is amended to  
14 read as follows:

15 (b) An adult is entitled to exemption from taxation by a  
16 school district of \$100,000 [~~\$40,000~~] of the appraised value of the  
17 adult's residence homestead, except that only \$5,000 of the  
18 exemption applies to an entity operating under former Chapter 17,  
19 18, 25, 26, 27, or 28, Education Code, as those chapters existed on  
20 May 1, 1995, as permitted by Section 11.301, Education Code.

21 SECTION 3.02. Section 11.26, Tax Code, is amended by  
22 amending Subsections (a), (a-10), and (o) and adding Subsections  
23 (a-11) and (a-12) to read as follows:

24 (a) The tax officials shall appraise the property to which  
25 this section applies and calculate taxes as on other property, but  
26 if the tax so calculated exceeds the limitation imposed by this  
27 section, the tax imposed is the amount of the tax as limited by this

1 section, except as otherwise provided by this section. A school  
2 district may not increase the total annual amount of ad valorem tax  
3 it imposes on the residence homestead of an individual 65 years of  
4 age or older or on the residence homestead of an individual who is  
5 disabled, as defined by Section 11.13, above the amount of the tax  
6 it imposed in the first tax year in which the individual qualified  
7 that residence homestead for the applicable exemption provided by  
8 Section 11.13(c) for an individual who is 65 years of age or older  
9 or is disabled. If the individual qualified that residence  
10 homestead for the exemption after the beginning of that first year  
11 and the residence homestead remains eligible for the same exemption  
12 for the next year, and if the school district taxes imposed on the  
13 residence homestead in the next year are less than the amount of  
14 taxes imposed in that first year, a school district may not  
15 subsequently increase the total annual amount of ad valorem taxes  
16 it imposes on the residence homestead above the amount it imposed in  
17 the year immediately following the first year for which the  
18 individual qualified that residence homestead for the same  
19 exemption, except as provided by Subsection (b). ~~[If the first tax  
20 year the individual qualified the residence homestead for the  
21 exemption provided by Section 11.13(c) for individuals 65 years of  
22 age or older or disabled was a tax year before the 2015 tax year, the  
23 amount of the limitation provided by this section is the amount of  
24 tax the school district imposed for the 2014 tax year less an amount  
25 equal to the amount determined by multiplying \$10,000 times the tax  
26 rate of the school district for the 2015 tax year, plus any 2015 tax  
27 attributable to improvements made in 2014, other than improvements~~

1 ~~made to comply with governmental regulations or repairs.]~~

2 (a-10) Notwithstanding the other provisions of this  
3 section, if in the 2024 or a subsequent tax year an individual  
4 qualifies for a limitation on tax increases provided by this  
5 section on the individual's residence homestead, the amount of the  
6 limitation provided by this section on the homestead is equal to the  
7 amount computed by:

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

13 (2) subtracting the amount computed under Subdivision  
14 (1) from the amount of tax the district imposed on the homestead in  
15 the preceding tax year; ~~and~~

16 (3) adding any tax imposed in the current tax year  
17 attributable to improvements made in the preceding tax year as  
18 provided by Subsection (b) to the amount computed under Subdivision  
19 (2);

20 (4) multiplying the amount of any increase in the  
21 current tax year as compared to the preceding tax year in the  
22 aggregate amount of the exemptions to which the individual is  
23 entitled under Sections 11.13(b) and (c) by the school district's  
24 tax rate for the current tax year; and

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

27 (a-11) This subsection applies only to an individual who in

1 the 2023 tax year qualifies for a limitation under this section and  
2 for whom the 2022 tax year or an earlier tax year was the first tax  
3 year the individual or the individual's spouse qualified for an  
4 exemption under Section 11.13(c). The amount of the limitation  
5 provided by this section on the residence homestead of an  
6 individual to which this subsection applies for the 2023 tax year is  
7 the amount of the limitation as computed under Subsection (a-5),  
8 (a-6), (a-7), (a-8), or (a-9) of this section, as applicable, less  
9 an amount equal to the product of \$60,000 and the tax rate of the  
10 school district for the 2023 tax year. This subsection expires  
11 January 1, 2025.

12 (a-12) This subsection applies only to an individual who in  
13 the 2023 tax year qualifies for a limitation under this section and  
14 for whom the 2021 tax year or an earlier tax year was the first tax  
15 year the individual or the individual's spouse qualified for an  
16 exemption under Section 11.13(c). The amount of the limitation  
17 provided by this section on the residence homestead of an  
18 individual to which this subsection applies for the 2023 tax year is  
19 the amount of the limitation as computed under Subsection (a-11) of  
20 this section less an amount equal to the product of \$15,000 and the  
21 tax rate of the school district for the 2022 tax year. This  
22 subsection expires January 1, 2025.

23 (o) Notwithstanding Subsections (a)[~~(a-3)~~] and (b), an  
24 improvement to property that would otherwise constitute an  
25 improvement under Subsection (b) is not treated as an improvement  
26 under that subsection if the improvement is a replacement structure  
27 for a structure that was rendered uninhabitable or unusable by a

1 casualty or by wind or water damage. For purposes of appraising the  
2 property in the tax year in which the structure would have  
3 constituted an improvement under Subsection (b), the replacement  
4 structure is considered to be an improvement under that subsection  
5 only if:

6 (1) the square footage of the replacement structure  
7 exceeds that of the replaced structure as that structure existed  
8 before the casualty or damage occurred; or

9 (2) the exterior of the replacement structure is of  
10 higher quality construction and composition than that of the  
11 replaced structure.

12 SECTION 3.03. Section 46.071, Education Code, is amended by  
13 amending Subsections (a-1) and (b-1) and adding Subsections (a-2),  
14 (b-2), and (c-2) to read as follows:

15 (a-1) For ~~[Beginning with]~~ the 2022-2023 school year, a  
16 school district is entitled to additional state aid under this  
17 subchapter to the extent that state and local revenue used to  
18 service debt eligible under this chapter is less than the state and  
19 local revenue that would have been available to the district under  
20 this chapter as it existed on September 1, 2021, if any increase in  
21 the residence homestead exemption under Section 1-b(c), Article  
22 VIII, Texas Constitution, as proposed by the 87th Legislature, 3rd  
23 Called Session, 2021, had not occurred.

24 (a-2) Beginning with the 2023-2024 school year, a school  
25 district is entitled to additional state aid under this subchapter  
26 to the extent that state and local revenue used to service debt  
27 eligible under this chapter is less than the state and local revenue

1 that would have been available to the district under this chapter as  
2 it existed on September 1, 2022, if any increase in a residence  
3 homestead exemption under Section 1-b(c), Article VIII, Texas  
4 Constitution, and any additional limitation on tax increases under  
5 Section 1-b(d) of that article as proposed by the 88th Legislature,  
6 1st Called Session, 2023, had not occurred.

7 (b-1) Subject to Subsections (c-1), (d), and (e),  
8 additional state aid under this section for ~~[beginning with]~~ the  
9 2022-2023 school year is equal to the amount by which the loss of  
10 local interest and sinking revenue for debt service attributable to  
11 any increase in the residence homestead exemption under Section  
12 1-b(c), Article VIII, Texas Constitution, as proposed by the 87th  
13 Legislature, 3rd Called Session, 2021, is not offset by a gain in  
14 state aid under this chapter.

15 (b-2) Subject to Subsections (c-2), (d), and (e),  
16 additional state aid under this section beginning with the  
17 2023-2024 school year is equal to the amount by which the loss of  
18 local interest and sinking revenue for debt service attributable to  
19 any increase in a residence homestead exemption under Section  
20 1-b(c), Article VIII, Texas Constitution, and any additional  
21 limitation on tax increases under Section 1-b(d) of that article as  
22 proposed by the 88th Legislature, 1st Called Session, 2023, is not  
23 offset by a gain in state aid under this chapter.

24 (c-2) For the purpose of determining state aid under  
25 Subsections (a-2) and (b-2), local interest and sinking revenue for  
26 debt service is limited to revenue required to service debt  
27 eligible under this chapter as of September 1, 2023, including



1 refunding of that debt, subject to Section 46.061. The limitation  
2 imposed by Section 46.034(a) does not apply for the purpose of  
3 determining state aid under this section.

4 SECTION 3.04. Section 48.2542, Education Code, is amended  
5 to read as follows:

6 Sec. 48.2542. ADDITIONAL STATE AID FOR ADJUSTMENT OF  
7 LIMITATION ON TAX INCREASES ON HOMESTEAD OF ELDERLY OR DISABLED.  
8 Notwithstanding any other provision of this chapter, if a school  
9 district is not fully compensated through state aid or the  
10 calculation of excess local revenue under this chapter based on the  
11 determination of the district's taxable value of property under  
12 Subchapter M, Chapter 403, Government Code, the district is  
13 entitled to additional state aid in the amount necessary to fully  
14 compensate the district for the amount of ad valorem tax revenue  
15 lost due to a reduction of the amount of the limitation on tax  
16 increases provided by Sections 11.26(a-4), (a-5), (a-6), (a-7),  
17 (a-8), (a-9), ~~and~~ (a-10), (a-11), and (a-12), Tax Code, as  
18 applicable.

19 SECTION 3.05. Effective January 1, 2025, Section 48.2542,  
20 Education Code, is amended to read as follows:

21 Sec. 48.2542. ADDITIONAL STATE AID FOR ADJUSTMENT OF  
22 LIMITATION ON TAX INCREASES ON HOMESTEAD OF ELDERLY OR DISABLED.  
23 Notwithstanding any other provision of this chapter, if a school  
24 district is not fully compensated through state aid or the  
25 calculation of excess local revenue under this chapter based on the  
26 determination of the district's taxable value of property under  
27 Subchapter M, Chapter 403, Government Code, the district is

1 entitled to additional state aid in the amount necessary to fully  
2 compensate the district for the amount of ad valorem tax revenue  
3 lost due to a reduction of the amount of the limitation on tax  
4 increases provided by Section 11.26(a-10) [~~Sections 11.26(a-4),~~  
5 ~~(a-5), (a-6), (a-7), (a-8), (a-9), and (a-10)~~], Tax Code [~~as~~  
6 ~~applicable~~].

7 SECTION 3.06. Section 48.2543, Education Code, is amended  
8 to read as follows:

9 Sec. 48.2543. ADDITIONAL STATE AID FOR HOMESTEAD EXEMPTION.

10 (a) For [~~Beginning with~~] the 2022-2023 school year, a school  
11 district is entitled to additional state aid to the extent that  
12 state and local revenue under this chapter and Chapter 49 is less  
13 than the state and local revenue that would have been available to  
14 the district under this chapter and Chapter 49 as those chapters  
15 existed on September 1, 2021, if any increase in the residence  
16 homestead exemption under Section 1-b(c), Article VIII, Texas  
17 Constitution, as proposed by the 87th Legislature, 3rd Called  
18 Session, 2021, had not occurred.

19 (a-1) Beginning with the 2023-2024 school year, a school  
20 district is entitled to additional state aid to the extent that  
21 state and local revenue under this chapter and Chapter 49 is less  
22 than the state and local revenue that would have been available to  
23 the district under this chapter and Chapter 49 as those chapters  
24 existed on September 1, 2022, if any increase in a residence  
25 homestead exemption under Section 1-b(c), Article VIII, Texas  
26 Constitution, and any additional limitation on tax increases under  
27 Section 1-b(d) of that article as proposed by the 88th Legislature,

1 1st Called Session, 2023, had not occurred.

2 (b) The lesser of the school district's currently adopted  
3 maintenance and operations tax rate or the adopted maintenance and  
4 operations tax rate for:

5 (1) the 2021 tax year is used for the purpose of  
6 determining additional state aid under Subsection (a); and

7 (2) the 2022 tax year is used for the purpose of  
8 determining additional state aid under Subsection (a-1).

9 SECTION 3.07. Section 48.2556(a), Education Code, is  
10 amended to read as follows:

11 (a) The agency shall post the following information on the  
12 agency's Internet website for purposes of allowing the chief  
13 appraiser of each appraisal district and the assessor for each  
14 school district to make the calculations required by Sections  
15 11.26(a-5), (a-6), (a-7), (a-8), (a-9), ~~and~~ (a-10), (a-11), and  
16 (a-12), Tax Code:

17 (1) each school district's maximum compressed rate, as  
18 determined under Section 48.2551, for each tax year beginning with  
19 the 2019 tax year; and

20 (2) each school district's tier one maintenance and  
21 operations tax rate, as provided by Section 45.0032(a), for the  
22 2018 tax year.

23 SECTION 3.08. Effective January 1, 2025, Section  
24 48.2556(a), Education Code, is amended to read as follows:

25 (a) For purposes of allowing the chief appraiser of each  
26 appraisal district and the assessor for each school district to  
27 make the calculations required by Section 11.26(a-10), Tax Code,

1 the [~~The~~] agency shall post [~~the following information~~] on the  
2 agency's Internet website [~~for purposes of allowing the chief~~  
3 ~~appraiser of each appraisal district and the assessor for each~~  
4 ~~school district to make the calculations required by Sections~~  
5 ~~11.26(a-5), (a-6), (a-7), (a-8), (a-9), and (a-10), Tax Code:~~

6           ~~[(1)]~~ each school district's maximum compressed rate,  
7 as determined under Section 48.2551, for the current [~~each~~] tax  
8 year and the preceding [~~beginning with the 2019~~] tax year[~~, and~~

9           ~~[(2)]~~ ~~each school district's tier one maintenance and~~  
10 ~~operations tax rate, as provided by Section 45.0032(a), for the~~  
11 ~~2018 tax year].~~

12           SECTION 3.09. Section 49.004, Education Code, is amended by  
13 adding Subsections (a-1), (b-1), and (c-1) to read as follows:

14           (a-1) This subsection applies only if the constitutional  
15 amendment proposed by S.J.R. 1, 88th Legislature, 1st Called  
16 Session, 2023, is approved by the voters in an election held for  
17 that purpose. As soon as practicable after receiving revised  
18 property values that reflect adoption of the constitutional  
19 amendment, the commissioner shall review the local revenue level of  
20 districts in the state and revise as necessary the notifications  
21 provided under Subsection (a) for the 2023-2024 school year. This  
22 subsection expires September 1, 2024.

23           (b-1) This subsection applies only to a district that has  
24 not previously held an election under this chapter. Notwithstanding  
25 Subsection (b), a district that enters into an agreement to  
26 exercise an option to reduce the district's local revenue level in  
27 excess of entitlement under Section 49.002(3), (4), or (5) for the

1 2023-2024 school year may request and, as provided by Section  
2 49.0042(a), receive approval from the commissioner to delay the  
3 date of the election otherwise required to be ordered before  
4 September 1. This subsection expires September 1, 2024.

5 (c-1) Notwithstanding Subsection (c), a district that  
6 receives approval from the commissioner to delay an election as  
7 provided by Subsection (b-1) may adopt a tax rate for the 2023 tax  
8 year before the commissioner certifies that the district has  
9 reduced its local revenue level to the level established by Section  
10 48.257. This subsection expires September 1, 2024.

11 SECTION 3.10. Subchapter A, Chapter 49, Education Code, is  
12 amended by adding Section 49.0042 to read as follows:

13 Sec. 49.0042. TRANSITIONAL PROVISIONS: INCREASED HOMESTEAD  
14 EXEMPTIONS AND LIMITATION ON TAX INCREASES. (a) The commissioner  
15 shall approve a district's request under Section 49.004(b-1) to  
16 delay the date of an election required under this chapter if the  
17 commissioner determines that the district would not have a local  
18 revenue level in excess of entitlement if the constitutional  
19 amendment proposed by S.J.R. 1, 88th Legislature, 1st Called  
20 Session, 2023, were approved by the voters.

21 (b) The commissioner shall set a date by which each district  
22 that receives approval under this section must order the election.

23 (c) Not later than the 2024-2025 school year, the  
24 commissioner shall order detachment and annexation of property  
25 under Subchapter G or consolidation under Subchapter H as necessary  
26 to reduce the district's local revenue level to the level  
27 established by Section 48.257 for a district that receives approval

1 under this section and subsequently:

2 (1) fails to hold the election; or

3 (2) does not receive voter approval at the election.

4 (d) This section expires September 1, 2025.

5 SECTION 3.11. Subchapter A, Chapter 49, Education Code, is  
6 amended by adding Section 49.0121 to read as follows:

7 Sec. 49.0121. TRANSITIONAL ELECTION DATES. (a) This  
8 section applies only to an election under this chapter that occurs  
9 during the 2023-2024 school year.

10 (b) Section 49.012 does not apply to a district that  
11 receives approval of a request under Section 49.0042. The district  
12 shall hold the election on a Tuesday or Saturday on or before a date  
13 specified by the commissioner. Section 41.001, Election Code, does  
14 not apply to the election.

15 (c) This section expires September 1, 2024.

16 SECTION 3.12. Section 49.154, Education Code, is amended by  
17 adding Subsections (a-2) and (a-3) to read as follows:

18 (a-2) Notwithstanding Subsections (a) and (a-1), a district  
19 that receives approval of a request under Section 49.0042 shall pay  
20 for credit purchased:

21 (1) in equal monthly payments as determined by the  
22 commissioner beginning March 15, 2024, and ending August 15, 2024;

23 or

24 (2) in the manner provided by Subsection (a)(2),  
25 provided that the district notifies the commissioner of the  
26 district's election to pay in that manner not later than March 15,  
27 2024.

1        (a-3) Subsection (a-2) and this subsection expire September  
2 1, 2024.

3        SECTION 3.13. Section 49.308, Education Code, is amended by  
4 adding Subsection (a-1) to read as follows:

5        (a-1) Notwithstanding Subsection (a), for the 2023-2024  
6 school year, the commissioner shall order any detachments and  
7 annexations of property under this subchapter as soon as  
8 practicable after the canvass of the votes on the constitutional  
9 amendment proposed by S.J.R. 1, 88th Legislature, 1st Called  
10 Session, 2023. This subsection expires September 1, 2024.

11        SECTION 3.14. Section 403.302, Government Code, is amended  
12 by amending Subsection (j-1) and adding Subsection (j-2) to read as  
13 follows:

14        (j-1) In the final certification of the study under  
15 Subsection (j), the comptroller shall separately identify the final  
16 taxable value for each school district as adjusted to account for  
17 the reduction of the amount of the limitation on tax increases  
18 provided by Section 11.26(a-10) [~~Sections 11.26(a-4), (a-5),~~  
19 ~~(a-6), (a-7), (a-8), (a-9), and (a-10)~~], Tax Code[, ~~as applicable~~].

20        (j-2) In the final certification of the study under  
21 Subsection (j), the comptroller shall separately identify the final  
22 taxable value for each school district as adjusted to account for  
23 the reduction of the amount of the limitation on tax increases  
24 provided by Sections 11.26(a-5), (a-6), (a-7), (a-8), (a-9),  
25 (a-10), (a-11), and (a-12), Tax Code. This subsection expires  
26 January 1, 2025.

27        SECTION 3.15. Section 25.23, Tax Code, is amended by adding

1 Subsection (a-1) to read as follows:

2 (a-1) This subsection applies only to the appraisal records  
3 for the 2023 tax year. The chief appraiser shall prepare  
4 supplemental appraisal records to account for the changes in law  
5 made by S.B. 1, Acts of the 88th Legislature, 1st Called Session,  
6 2023. This subsection expires December 31, 2024.

7 SECTION 3.16. Section 26.04, Tax Code, is amended by adding  
8 Subsections (a-1) and (c-1) to read as follows:

9 (a-1) On receipt of the appraisal roll for the 2023 tax  
10 year, the assessor for a school district shall determine the total  
11 taxable value of property taxable by the district and the taxable  
12 value of new property as if the changes in law made by S.B. 1, Acts  
13 of the 88th Legislature, 1st Called Session, 2023, were in effect  
14 for that tax year. This subsection expires December 31, 2024.

15 (c-1) An officer or employee designated by the governing  
16 body of a school district shall calculate the no-new-revenue tax  
17 rate and the voter-approval tax rate of the district for the 2023  
18 tax year as if the changes in law made by S.B. 1, Acts of the 88th  
19 Legislature, 1st Called Session, 2023, were in effect for that tax  
20 year. This subsection expires December 31, 2024.

21 SECTION 3.17. Section 26.08, Tax Code, is amended by adding  
22 Subsection (q) to read as follows:

23 (q) For purposes of this section, the voter-approval tax  
24 rate of a school district for the 2023 tax year shall be calculated  
25 as if the changes in law made by S.B. 1, Acts of the 88th  
26 Legislature, 1st Called Session, 2023, were in effect for that tax  
27 year. This subsection expires December 31, 2024.



1 SECTION 3.18. Section 26.09, Tax Code, is amended by adding  
2 Subsection (c-1) to read as follows:

3 (c-1) The assessor for a school district shall calculate the  
4 amount of tax imposed by the district on a residence homestead for  
5 the 2023 tax year as if the changes in law made by S.B. 1, Acts of  
6 the 88th Legislature, 1st Called Session, 2023, were in effect for  
7 that tax year and also as if the changes in law made by that Act were  
8 not in effect for that tax year. This subsection expires December  
9 31, 2024.

10 SECTION 3.19. Section 26.15, Tax Code, is amended by adding  
11 Subsection (h) to read as follows:

12 (h) The assessor for a school district shall correct the tax  
13 roll for the district for the 2023 tax year to reflect the results  
14 of the election to approve the constitutional amendment proposed by  
15 S.J.R. 1, 88th Legislature, 1st Called Session, 2023. This  
16 subsection expires December 31, 2024.

17 SECTION 3.20. Section 31.01, Tax Code, is amended by adding  
18 Subsections (d-2), (d-3), (d-4), and (d-5) to read as follows:

19 (d-2) This subsection and Subsections (d-3) and (d-4) apply  
20 only to taxes imposed by a school district on a residence homestead  
21 for the 2023 tax year and only if the changes in law made by S.B. 1,  
22 Acts of the 88th Legislature, 1st Called Session, 2023, would lower  
23 the taxes imposed by the district on the property for that tax year.  
24 The assessor for the district shall compute the amount of taxes  
25 imposed and the other information required by this section as if the  
26 changes in law made by S.B. 1, Acts of the 88th Legislature, 1st  
27 Called Session, 2023, were in effect for that tax year. The tax

1 bill or the separate statement must indicate that the bill is a  
2 provisional tax bill and include a statement in substantially the  
3 following form:

4 "If the Texas Legislature had not enacted property tax relief  
5 legislation during the 2023 legislative session, your tax bill  
6 would have been \$\_\_\_\_\_ (insert amount of tax bill if the changes in  
7 law made by S.B. 1, Acts of the 88th Legislature, 1st Called  
8 Session, 2023, were not in effect for that tax year). Because of  
9 action by the Texas Legislature, your tax bill has been lowered by  
10 \$\_\_\_\_\_ (insert difference between amount of tax bill if the changes  
11 in law made by S.B. 1, Acts of the 88th Legislature, 1st Called  
12 Session, 2023, were not in effect for that tax year and amount of  
13 tax bill if that Act were in effect for that tax year), resulting in  
14 a lower tax bill of \$\_\_\_\_\_ (insert amount of tax bill if the changes  
15 in law made by S.B. 1, Acts of the 88th Legislature, 1st Called  
16 Session, 2023, were in effect for that tax year), contingent on  
17 the approval by the voters at an election to be held November 7,  
18 2023, of the constitutional amendment proposed by S.J.R. 1, 88th  
19 Legislature, 1st Called Session, 2023. If that constitutional  
20 amendment is not approved by the voters at the election, a  
21 supplemental tax bill in the amount of \$\_\_\_\_\_ (insert difference  
22 between amount of tax bill if the changes in law made by S.B. 1, Acts  
23 of the 88th Legislature, 1st Called Session, 2023, were not in  
24 effect for that tax year and amount of tax bill if that Act were in  
25 effect for that tax year) will be mailed to you."

26 (d-3) A tax bill prepared by the assessor for a school  
27 district as provided by Subsection (d-2) and mailed as provided by

1 Subsection (a) is considered to be a provisional tax bill until the  
2 canvass of the votes on the constitutional amendment proposed by  
3 S.J.R. 1, 88th Legislature, 1st Called Session, 2023. If the  
4 constitutional amendment is approved by the voters, the tax bill is  
5 considered to be a final tax bill for the taxes imposed on the  
6 property for the 2023 tax year, and no additional tax bill is  
7 required to be mailed unless another provision of this title  
8 requires the mailing of a corrected tax bill. If the constitutional  
9 amendment is not approved by the voters:

10 (1) a tax bill prepared by the assessor as provided by  
11 Subsection (d-2) is considered to be a final tax bill but only as to  
12 the portion of the taxes imposed on the property for the 2023 tax  
13 year that are included in the bill;

14 (2) the amount of taxes imposed by each school  
15 district on a residence homestead for the 2023 tax year is  
16 calculated as if the changes in law made by S.B. 1, Acts of the 88th  
17 Legislature, 1st Called Session, 2023, were not in effect for that  
18 tax year; and

19 (3) except as provided by Subsections (f), (i-1), and  
20 (k), the assessor for each school district shall prepare and mail a  
21 supplemental tax bill, by December 1 or as soon thereafter as  
22 practicable, in an amount equal to the difference between the  
23 amount of the tax bill if the changes in law made by S.B. 1, Acts of  
24 the 88th Legislature, 1st Called Session, 2023, were not in effect  
25 for that tax year and the amount of the tax bill if that Act were in  
26 effect for that tax year.

27 (d-4) Except as otherwise provided by Subsection (d-3), the

1 provisions of this section other than Subsection (d-2) apply to a  
2 supplemental tax bill mailed under Subsection (d-3).

3 (d-5) This subsection and Subsections (d-2), (d-3), and  
4 (d-4) expire December 31, 2024.

5 SECTION 3.21. Section 31.02, Tax Code, is amended by adding  
6 Subsection (a-1) to read as follows:

7 (a-1) Except as provided by Subsection (b) of this section  
8 and Sections 31.03 and 31.04, taxes for which a supplemental tax  
9 bill is mailed under Section 31.01(d-3) are due on receipt of the  
10 tax bill and are delinquent if not paid before March 1 of the year  
11 following the year in which imposed. This subsection expires  
12 December 31, 2024.

13 SECTION 3.22. (a) Sections 11.26(a-1), (a-2), and (a-3),  
14 Tax Code, are repealed.

15 (b) Effective January 1, 2025, Sections 11.26(a-5), (a-6),  
16 (a-7), (a-8), and (a-9), Tax Code, are repealed.

17 SECTION 3.23. The changes in law made by this article to  
18 Sections 11.13 and 11.26, Tax Code, apply beginning with the ad  
19 valorem tax year that begins January 1, 2023.

20 ARTICLE 4. EFFECTIVE DATES

21 SECTION 4.01. Except as otherwise provided by this article,  
22 this Act takes effect on the 91st day after the last day of the  
23 legislative session.

24 SECTION 4.02. (a) Except as provided by Subsection (b) of  
25 this section or as otherwise provided by Article 3 of this Act:

26 (1) Article 3 of this Act takes effect on the date on  
27 which the constitutional amendment proposed by S.J.R. 1, 88th

1 Legislature, 1st Called Session, 2023, takes effect; and

2 (2) if that amendment is not approved by the voters,  
3 Article 3 of this Act has no effect.

4 (b) Sections 49.004(a-1), (b-1), and (c-1), 49.0042,  
5 49.0121, 49.154(a-2) and (a-3), and 49.308(a-1), Education Code,  
6 and Sections 25.23(a-1), 26.04(a-1) and (c-1), 26.08(q),  
7 26.09(c-1), 26.15(h), 31.01(d-2), (d-3), (d-4), and (d-5), and  
8 31.02(a-1), Tax Code, as added by Article 3 of this Act, take effect  
9 immediately if this Act receives a vote of two-thirds of all the  
10 members elected to each house, as provided by Section 39, Article  
11 III, Texas Constitution. If this Act does not receive the vote  
12 necessary for those sections to have immediate effect, those  
13 sections take effect on the 91st day after the last day of the  
14 legislative session.