

By: Meyer

H.B. No. 8

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to a reduction in the maximum compressed tax rate of a  
3 school district.

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

5 SECTION 1. Subchapter F, Chapter 48, Education Code, is  
6 amended by adding Section 48.2554 to read as follows:

7 Sec. 48.2554. MAXIMUM COMPRESSED TAX RATE FOR 2025-2026  
8 SCHOOL YEAR. (a) Notwithstanding any other provision of this title  
9 or Chapter 26, Tax Code, for the 2025-2026 school year, the  
10 commissioner shall calculate the value of a school district's  
11 maximum compressed tax rate by determining the district's maximum  
12 compressed rate under Section 48.2551 or 48.2552(b), if applicable,  
13 and reducing the tax rate determined under the applicable section  
14 by \$0.0331.

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

22 (c) Notwithstanding any other provision of this title or  
23 Chapter 26, Tax Code, for purposes of determining funding for  
24 school districts for the 2025-2026 school year, a reference in any

1 of the following provisions of law to a school district's maximum  
2 compressed tax rate or maximum compressed rate as determined under  
3 Section 48.2551 means the maximum compressed tax rate determined  
4 for the district under this section:

- 5 (1) Section 13.054(f);
- 6 (2) Section 45.003(d);
- 7 (3) Section 45.0032(a);
- 8 (4) Section 48.051(a);
- 9 (5) Sections 48.2553(a) and (e);
- 10 (6) Section 48.2556; and
- 11 (7) Section 26.08(n), Tax Code.

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

14 (e) Notwithstanding any other provision of this title, for  
15 purposes of determining a school district's maximum compressed tax  
16 rate under Section 48.2551 for the 2026-2027 school year, the value  
17 of the district's "PYMCR" is the maximum compressed tax rate  
18 determined for the district under this section for the preceding  
19 school year.

20 (f) This section expires September 1, 2027.

21 SECTION 2. This Act takes effect September 1, 2025.