

By: Middleton

S.B. No. 1129

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a credit against required recapture payments for school
3 districts for the cost of optional residence homestead exemptions
4 under the public school finance system.

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

6 SECTION 1. Subchapter D, Chapter 49, Education Code, is
7 amended by adding Section 49.1574 to read as follows:

8 Sec. 49.1574. CREDIT FOR OPTIONAL HOMESTEAD EXEMPTION. (a)

9 The total amount required under Section 49.153 for a school
10 district to purchase attendance credit under this subchapter for
11 any school year is reduced by an amount equal to the total dollar
12 amount of residence homestead exemptions the district grants under
13 Section 11.13(n), Tax Code, for that school year, less any amount:

14 (1) the district receives under Chapter 48 that is
15 attributable to Section 48.259; or

16 (2) by which the district's local revenue level is
17 reduced to account for those exemptions.

18 (b) A reduction under Subsection (a) shall be made after
19 making any reduction to which the district is entitled under
20 Section 49.157 or another provision of this chapter.

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