

## **BILL ANALYSIS**

Senate Research Center

S.B. 1019  
By: Ogden  
Education  
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As Filed

### **DIGEST**

Currently, Texas law defines a school district's rollback tax rate as the tax rate necessary to offset the district's loss using a certain formula. If a school district imposes a tax rate above the rollback tax rate, voters may decide at an election, held for the purpose of determining rollback taxes, to roll back the tax rate to the rollback rate. This bill provides tax relief by reducing the amount added to a school district's rollback tax rate from eight cents to six cents.

### **PURPOSE**

As proposed, S.B. 1019 provides tax relief by reducing the amount added to a school district's rollback tax rate from eight cents to six cents.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 26.08, Tax Code, as follows:

Sec. 26.08. New heading: ELECTION TO RATIFY SCHOOL TAXES. Requires the registered voters of a school district at an election held for that purpose to determine whether to approve the adopted tax rate, if the governing body of a school district adopts a rate that exceeds the district's rollback tax rate calculated under Subsection (c). Deletes the provision regarding the tax rate the governing body is authorized to adopt for the current year. Provides that an election is not required under this section to approve, rather than limit, the tax rate adopted by the governing body. Sets forth the manner in which the ballot is to be prepared to permit voting for or against the proposition. Requires the ballot proposition to include the adopted tax rate and the difference between that rate and the rollback tax rate in the appropriate place. Provides that the tax rate for the school district for the current year is the school district rollback tax rate calculated using a certain formula, if a majority of the votes cast in the election do not favor the proposition. Deletes a proposition authorizing the governing board to adopt a tax rate that exceeds a certain formula. Sets forth the formula and definitions of the formula for determining the rollback tax rate, including a reduction from \$0.08 to \$0.06. Provides that the tax rate for the current year is the rate adopted by the governing body, if a majority of the votes cast in the election favor the proposition. Deletes Subsections (e) and (f). Redesignates existing subsections. Makes conforming and nonsubstantive changes.

SECTION 2. Effective date: September 1, 1997. Provides that the tax rate calculations for a tax year that began before the effective date of this Act are governed by the applicable law in effect before the effective date of this Act.

SECTION 3. Emergency clause.