

BILL ANALYSIS

Senate Research Center

C.S.S.B. 1019
By: Ogden
Education
5-15-97
Committee Report (Substituted)

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, C.S.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 tax rate that exceeds the district's rollback tax rate. 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 current year is the rate adopted by the governing body, if a majority of the votes cast in the election favor the proposition. Provides that the tax rate for the school district for the current year is the school district's rollback tax rate, if the proposition is not approved as provided by Subsection (c). Deletes provisions establishing the formula for the rollback tax rate. Deletes existing Subsections (e) and (f). Redesignates existing Subsection (i) as Subsection (f). Sets forth provisions relating to the base rollback tax rate of a school district, the computation of a school district's rollback tax rate, and the rollback correction rate of a school district. Makes conforming and nonsubstantive changes.

SECTION 2. Effective date: September 1, 1997.

SECTION 3. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends Section 26.08, Tax Code, to require the registered voters of a school district at an election held for that purpose to determine whether to approve the adopted tax rate, rather

than rate, if the governing body of a school district adopts a tax rate that exceeds the district's rollback tax rate, rather than the rate calculated under Subsection (c). 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. Provides that the tax rate for the school district for the current year is the school district for the current year the school district's rollback tax rate, if the proposition is not approved as provided by Subsection (c). Deletes a provision providing that if a majority of votes cast in an election do not favor the proposition the tax rate for the school district for the current year is a certain calculated rollback tax rate. Deletes the proposed rollback tax rate calculation. Sets forth provisions relating to the base rollback tax rate of a school district, the computation of a school district's rollback tax rate, and the rollback correction rate of a school district.

SECTION 2.

Deletes a provision providing 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.