

## **BILL ANALYSIS**

Senate Research Center  
76R8217 SMH-F

C.S.S.B. 868  
By: Cain  
Finance  
4/19/1999  
Committee Report (Substituted)

### **DIGEST**

Currently, the state holds school districts harmless for losses due to the 10 percent homestead value cap by requiring the Comptroller of Public Accounts (comptroller) to deduct losses attributable to the limitation from a school district's taxable value; the comptroller determines this loss based on school district reports. The losses determined by the state should be equivalent to the appraisal level in school districts where state education funding is based on property values. C.S.S.B. 868 would set forth provisions regarding the comptroller of public account's determination of school district property values related to the treatment of the limitation on increases in the appraised value of a residential homestead.

### **PURPOSE**

As proposed, C.S.S.B. 868 sets forth provisions regarding the comptroller of public account's determination of school district property values related to the treatment of the limitation on increases in the appraised value of a residential homestead.

### **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 403.302, Government Code, by adding Subsection (h), to require the comptroller of public accounts (comptroller), in determining the taxable value of property in the school district under Subsection (d), for purposes of Subsection (d) (11), to subtract from the market value as determined by the appraisal district of residence homesteads to which Section 23.23, Tax Code, applies, the amount by which that amount exceeds the appraised value of those properties as calculated by the appraisal district under Section 23.23, Tax Code, if the comptroller determines in the annual study that the market value of property in a school district as determined by the appraisal district that appraises property for the school district, less the total of the amounts and values listed in Subsection (d) as determined by that appraisal district, is valid. Requires the comptroller, in determining the taxable value of property in the school district under Subsection (d), for purposes of Subsection (d) (11), to subtract from the market value as estimated by the comptroller of homesteads to which Section 23.23, Tax Code, applies, the amount by which that amount exceeds the appraised value of those properties as calculated by the appraisal district under Section 23.23, Tax Code, if the comptroller determines in the annual study that the market value of property in a school district as determined by the appraisal district that appraises property for the school district, less the total of the amounts and values listed in Subsection (d) as determined by that appraisal district, is not valid.

SECTION 2. Effective date: September 1, 1999.

SECTION 3. Emergency clause.

### **SUMMARY OF COMMITTEE CHANGES**

SECTION 1.

Amends Section 403.302, Government Code, by adding Subsection (h), regarding school district property values. Deletes proposed changes to Subsection (d).