

BILL ANALYSIS

Senate Research Center
76R2726 ESH-D

S.B. 541
By: Shapiro
Education
4/6/1999
As Filed

DIGEST

Currently, Texas law authorizes a school board to grant an optional exemption for up to 20 percent of the appraised value of the homesteads. As a result, a percentage of the appraised value of the homesteads is excluded from the tax base of those school districts in levying a local property tax. S.B. 541 removes the optional homestead exemption from the calculation of a school district's taxable wealth which will ensure that the recaptured dollars are indeed tax dollars to which the school districts has access.

PURPOSE

As proposed, S.B. 541 redefines "taxable value" regarding computation of school district property values for purposes of school finance.

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(d), Government Code, as amended by Chapters 1039, 1040, and 1071, Acts of the 75th Legislature, Regular Session, 1997, reenacted and amended to redefine "taxable value" as the market value of all taxable property less the total dollar amount of any residence homestead exemptions lawfully granted under Section 11.13(b), (c), or (n), Tax Code, (regarding exemptions from taxation). Makes a nonsubstantive change.

SECTION 2. Effective date: September 1, 1999.

SECTION 3. Emergency clause.