

## **BILL ANALYSIS**

Senate Research Center  
86R2703 TJB-D

S.B. 1309  
By: Bettencourt  
Property Tax  
4/15/2019  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Interested parties observe that an independent school district (ISD) should not operate and fund their own tax office. Receiving and paying a school-related property tax bill is often confusing. Some schools hire staff to be their own tax assessor-collector. Almost universally, taxpayers receive multiple tax bills from various taxing entities because the taxing entities have hired third party entities to perform the duties of a tax assessor-collector. Both options are costly and confusing to the taxpayer having to pay multiple bills. However, in Travis County, taxes are paid to one collector with the county. Centralizing the school-related tax bill and tax payment would result in one tax bill as well as both the taxpayer and taxing entity saving money. The savings in administrative costs could then be reallocated within the taxing district.

The effect of S.B. 1309's changes in law is that no ISD is authorized to have its own tax office that assesses and collects ad valorem taxes imposed by an ISD.

As proposed, S.B. 1309 amends current law relating to the assessment and collection of ad valorem taxes imposed by a school district.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 11.1511(c), Education Code, to remove authorization for a board of trustees of an independent school district (board) to employ a person to assess or collect the district's taxes as authorized under Section 45.231 from a list of board powers and to renumber the following subdivision accordingly.

SECTION 2. Amends Section 45.231, Education Code, as follows:

Sec. 45.231. New heading: ASSESSOR AND COLLECTOR. Provides that the assessor and collector for an independent school district is the county assessor-collector for the county in which the property subject to taxation by the school district is located. Deletes existing text of Subsection (a) authorizing the board of trustees of an independent school district to employ and appropriately compensate a person to assess or collect the school district's taxes and deletes the designation of that subsection. Deletes existing text of Subsection (b) providing that this section does not prohibit an independent school district from providing for the assessment or collection of the school district's taxes under a method authorized by Subchapter B (Assessors and Collectors), Chapter 6, Tax Code.

SECTION 3. Amends Sections 6.22(a) and (b), Tax Code, as follows:

(a) Provides that the assessor and collector for a taxing unit other than a county, school district, or home-rule municipality are determined by the law creating or authorizing creation of the taxing unit, rather than providing that the assessor and collector for a taxing unit other than a county or a home rule city are determined by the law creating or authorizing the creation of the unit.

(b) Provides that the assessor and collector for a home-rule municipality, rather than home-rule city, are determined by the municipality's, rather than the city's, charter and ordinances.

SECTION 4. Amends Section 6.23, Tax Code, by adding Subsection (a-1) to require the county assessor-collector to assess and collect taxes on property in the county for each school district located in the county.

SECTION 5. Amends Section 6.27(b), Tax Code, to entitle the county assessor-collector, except as provided by Subsection (d) (relating to certain tax provisions for river authorities), to a reasonable fee not to exceed the actual costs incurred, for assessing and collecting taxes for a taxing unit as required by, rather than pursuant to, Section 6.23(a)(1), (2), or (3) (relating to a requirement that the county assessor-collector assess and collect taxes on a property for another taxing unit in certain circumstances) or (a-1).

SECTION 6. Repealer: Section 45.232 (Alternate Methods of Selection Under Former Law), Education Code.

SECTION 7. Provides that the changes in law made by this Act do not apply to an independent school district during the term of a contract entered into by the school district before the effective date of this Act that requires a person other than an employee of the school district to assess, collect, or assess and collect ad valorem taxes imposed by the school district.

SECTION 8. Effective date: September 1, 2019.