

Allowing extension of certain tax increment reinvestment zone

HB 2111 by Pacheco (Flores)

Digest

HB 2111 would have allowed a school district to exempt property in a tax increment reinvestment zone from being considered taxable property until a statutory termination date under Tax Code sec. 311.017 if the city adopted an ordinance extending the zone's original termination date. The bill would have applied only to a reinvestment zone created by the City of San Antonio.

Governor's reason for veto

"Texas stopped allowing school districts to voluntarily erode their tax bases many years ago because of the impact on the school finance system. House Bill 2111 would undo this effort by allowing Southside I.S.D. in San Antonio to contribute its maintenance and operation tax revenue to a tax increment reinvestment zone for an indefinite period of time. The bill also would force taxpayers in Southside I.S.D. to pay higher taxes, undermining the significant reforms accomplished this session."

Response

Neither **Rep. Leo Pacheco**, the bill's author, nor **Sen. Peter Flores**, the Senate sponsor, had a comment on the veto.

Notes

The HRO analysis of [HB 2111](#) appeared in Part Two of the April 24 *Daily Floor Report*.
