

Cypress-Fairbanks Independent School District
Resolution to Modify Adjustment in Comptroller's Property Value Assignment for Granting a
Local Optional Homestead Exemption

WHEREAS under Texas Education Code (TEC) Section 48.002, the purpose of the Foundation School Program (FSP) is to guarantee that each school district in the state has adequate resources to provide students with a basic instructional program suitable to the student's educational needs; and

WHEREAS under TEC Section 48.251, the Foundation School Program is financed by:

- State available school funds distributed in accordance with law,
- Ad valorem tax revenue generated by local school district effort, and
- State funds appropriated for the purposes of public school education; and

WHEREAS under TEC Section 48.256, each school district's local share of the FSP is determined by formula equal to the product of the local district's adopted tier one maintenance and operations tax rate applied to the district's taxable property values as determined in Government Code Section 403.302; and

WHEREAS Tax Code Section 11.13(n) provides an additional residential homestead exemption if the exemption is adopted by the governing body of the taxing unit; and

WHEREAS each year since 1983, the Cypress-Fairbanks Independent School District Board of Trustees has adopted a local optional homestead exemption equal to 20% of the taxable property values as appraised by the Harris Central Appraisal District; and

WHEREAS the taxable property values used for allocating state funding to school districts under the FSP as determined by Government Code Section 403.302(d)(2), and TEC Section 48.259 does not reflect the local optional homestead exemption adopted by the school district governing body, resulting in a loss of millions of dollars annually in state FSP funding; and

WHEREAS TEC Section 48.259 prohibits the Commissioner of Education to provide funding under this section unless funds are specifically appropriated for purposes of this section, or the total amount of state funds appropriated for the FSP exceeds the amount distributed to school districts based on the taxable values of property without any deduction for the residence homestead exemptions granted under Tax Code Section 11.13(n); and

BE IT RESOLVED The Board of Trustees of the Cypress-Fairbanks Independent School District calls for the modification of the adjustment in Comptroller's Property Value Assignment by not recognizing any amount of the local optional homestead exemption granted under Texas Tax Code Section 11.13(n) for purposes of state funding under the FSP by:

- Repealing TEC Section 48.259, and
- Amending Government Code Section 403.302(d)(2) as follows:

"the total dollar amount of any residence homestead exemption granted under Section 11.13(n), Tax Code, in the year that is the subject of the study for each school district"



President, Board of Trustees

Secretary, Board of Trustees

April 10, 2023