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Senator Kolkhorst Pushes Passage of Tax Relief Package

Texas Senate Passes Senate Bill 2 and Senate Bill 17

AUSTIN - The Texas Senate passed major tax relief legislation to reduce the burden on homeowners and businesses. In passing Senate Bill 2, authored by Senator Paul Bettencourt (R-Houston) and co-authored by Senator Lois Kolkhorst (R-Brenham), the trigger rate for an election was lowered to five percent from the current eight percent when a local government entity attempts to increase its tax collections. The bill requires an automatic election if the five percent rollback rate is exceeded, and also creates a Property Tax Advisory Board at the office of the Texas Comptroller.

"Everyone agrees that property taxes are too high. That's why I was proud to co-author and pass Senate Bill 2, the Texas Property Tax Reform and Relief Act. This common sense proposal will provide appraisal reform and give voters the final approval over property tax hikes," said Kolkhorst. "Texas still has work to do on addressing our reliance on property taxes for public schools. In the meantime, Senate Bill 2 provides the purest form of local control possible because it gives taxpayers the final say and keeps power where it belongs, with the people."

The Senate also took action to pass Senate Bill 17, authored by Senator Jane Nelson (R-Flower Mound) and co-authored by Senator Kolkhorst. The proposal provides tax relief for businesses and encourages economic growth by reducing the franchise tax every biennium, so long as the Comptroller certifies that the state will experience revenue growth of at least five percent.

"Job creation is the lifeblood of our economy and Texas businesses need help with the burden of our state's franchise tax," said Kolkhorst. "With Senate Bill 17, we are sending a message that Texas is open for business by phasing out the franchise tax. The Texas economy will grow as businesses will begin to invest in jobs for Texans, rather than paying more in taxes."

Senate Bill 2 and Senate Bill 17 now move to the Texas House of Representatives for consideration.

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