

Options to Reduce Local Revenue in Excess of Entitlement

A district with local revenue in excess of entitlement has the following five options available to reduce the district's revenue level under the TEC, Chapter 49:

- 1) Consolidation with another district as provided by Subchapter B;
- 2) Detachment of territory as provided by Subchapter C;
- 3) Purchase of average daily attendance credit as provided by Subchapter D ("Option 3");
- 4) Education of nonresident students as provided by Subchapter E ("Option 4"); and/or
- 5) Tax base consolidation with another district as provided by Subchapter F.

Districts have historically selected Option 3. Successful elections conducted under the TEC, former Chapter 41, carry over into the TEC, Chapter 49.

Provisions in the TEC, §48.257(c), allow districts to offset the reduction of excess local revenue against the TEC, Chapter 48 funds. All districts r/ Tw 121872w 35.439.3MC cA63MC Baa8.083 0 Td[s3(on16 T

form, and **approval is contingent upon** TEA’s determination of the district’s maximum compressed tax rate via the Local Property Value Survey subsystem.

The Local Property Value Survey subsystem (LPVS) is a web-based tool that allows the district to determine the maximum compressed tax rate for the district. The LPVS is a web-based tool that allows the district to determine the maximum compressed tax rate for the district. The LPVS is a web-based tool that allows the district to determine the maximum compressed tax rate for the district.