

By: Howard of Fort Bend

H.B. No. 3189

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the notice of the public hearings to be held on a
3 proposal to increase the total ad valorem tax revenues of a taxing
4 unit.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 26.06(b), Tax Code, as amended by
7 Chapter 807, Acts of the 79th Legislature, Regular Session, 2005,
8 is amended to read as follows:

9 (b) The notice of a public hearing may not be smaller than
10 one-quarter page of a standard-size or a tabloid-size newspaper,
11 and the headline on the notice must be in 24-point or larger type.
12 The notice must ~~+~~

13 [~~1~~] contain a statement in the following form:

14 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

15 "The (name of the taxing unit) will hold two [~~a~~] public
16 hearings [~~hearing~~] on a proposal to increase total tax revenues
17 from properties on the tax roll in the preceding tax year by
18 (percentage by which proposed tax rate exceeds lower of rollback
19 tax rate or effective tax rate calculated under this chapter)
20 percent. Your individual taxes may increase at a greater or lesser
21 rate, or even decrease, depending on the change in the taxable value
22 of your property in relation to the change in taxable value of all
23 other property and the tax rate that is adopted.

24 "The first public hearing will be held on (date and time) at

1 (meeting place).

2 "The second public hearing will be held on (date and time) at
3 (meeting place).

4 "(Names of all members of the governing body, showing how
5 each voted on the proposal to consider the tax increase or, if one
6 or more were absent, indicating the absences.)

7 "The average taxable value of a residence homestead in (name
8 of taxing unit) last year was \$_____ (average taxable value of a
9 residence homestead in the taxing unit for the preceding tax year,
10 disregarding residence homestead exemptions available only to
11 disabled persons or persons 65 years of age or older). Based on
12 last year's tax rate of \$_____ (preceding year's adopted tax rate) per
13 \$100 of taxable value, the amount of taxes imposed last year on the
14 average home was \$_____ (tax on average taxable value of a residence
15 homestead in the taxing unit for the preceding tax year,
16 disregarding residence homestead exemptions available only to
17 disabled persons or persons 65 years of age or older).

18 "The average taxable value of a residence homestead in (name
19 of taxing unit) this year is \$_____ (average taxable value of a
20 residence homestead in the taxing unit for the current tax year,
21 disregarding residence homestead exemptions available only to
22 disabled persons or persons 65 years of age or older). If the
23 governing body adopts the effective tax rate for this year of
24 \$_____ (effective tax rate) per \$100 of taxable value, the amount of
25 taxes imposed this year on the average home would be \$_____ (tax on
26 average taxable value of a residence homestead in the taxing unit
27 for the current tax year, disregarding residence homestead

1 exemptions available only to disabled persons or persons 65 years
2 of age or older).

3 "If the governing body adopts the proposed tax rate of
4 \$ (proposed tax rate) per \$100 of taxable value, the amount of
5 taxes imposed this year on the average home would be \$ (tax on
6 the average taxable value of a residence in the taxing unit for the
7 current year disregarding residence homestead exemptions available
8 only to disabled persons or persons 65 years of age or older).

9 "Members of the public are encouraged to attend the hearings
10 and express their views." [~~and~~

11 [(2) contain the following information:

12 [(A) a section entitled "Comparison of Proposed
13 Budget with Last Year's Budget," which must show the difference,
14 expressed as a percent increase or decrease, as applicable, in the
15 amount budgeted in the preceding fiscal year and the amount
16 budgeted for the fiscal year that begins in the current tax year for
17 each of the following:

18 [(i) maintenance and operations,

19 [(ii) debt service, and

20 [(iii) total expenditures,

21 [(B) a section entitled "Total Appraised Value
22 and Total Taxable Value," which must show the total appraised value
23 and the total taxable value of all property and the total appraised
24 value and the total taxable value of new property taxable by the
25 unit in the preceding tax year and the current tax year as
26 calculated under Section 26.04,

27 [(C) the total amount of the outstanding and

1 ~~unpaid bonded indebtedness of the taxing unit;~~

2 ~~[(D) the unit's adopted tax rate for the~~
3 ~~preceding tax year and the proposed tax rate, expressed as an amount~~
4 ~~per \$100;~~

5 ~~[(E) the difference, expressed as an amount per~~
6 ~~\$100 and as a percent increase or decrease, as applicable, in the~~
7 ~~proposed tax rate compared to the adopted tax rate for the preceding~~
8 ~~tax year;~~

9 ~~[(F) the average appraised value of a residence~~
10 ~~homestead in the taxing unit in the preceding tax year and in the~~
11 ~~current tax year; the unit's homestead exemption, other than an~~
12 ~~exemption available only to disabled persons or persons 65 years of~~
13 ~~age or older, applicable to that appraised value in each of those~~
14 ~~years; and the average taxable value of a residence homestead in the~~
15 ~~unit in each of those years, disregarding any homestead exemption~~
16 ~~available only to disabled persons or persons 65 years of age or~~
17 ~~older;~~

18 ~~[(G) the amount of tax that would have been~~
19 ~~imposed by the unit in the preceding tax year on a residence~~
20 ~~homestead appraised at the average appraised value of a residence~~
21 ~~homestead in that year, disregarding any homestead exemption~~
22 ~~available only to disabled persons or persons 65 years of age or~~
23 ~~older;~~

24 ~~[(H) the amount of tax that would be imposed by~~
25 ~~the unit in the current tax year on a residence homestead appraised~~
26 ~~at the average appraised value of a residence homestead in the~~
27 ~~current tax year, disregarding any homestead exemption available~~

1 ~~only to disabled persons or persons 65 years of age or older, if the~~
2 ~~proposed tax rate is adopted, and~~

3 ~~[(I) the difference between the amounts of tax~~
4 ~~calculated under Paragraphs (C) and (H), expressed in dollars and~~
5 ~~cents and described as the annual increase or decrease, as~~
6 ~~applicable, in the tax to be imposed by the unit on the average~~
7 ~~residence homestead in the unit in the current tax year if the~~
8 ~~proposed tax rate is adopted.]~~

9 SECTION 2. Section 26.06(d), Tax Code, is amended to read as
10 follows:

11 (d) At the public hearings the governing body shall announce
12 the date, time, and place of the meeting at which it will vote on the
13 proposed tax rate. After each hearing the governing body shall give
14 notice of the meeting at which it will vote on the proposed tax rate
15 and the notice shall be in the same form as prescribed by
16 Subsections (b) and (c), except that it must state the following:

17 "NOTICE OF [~~VOTE ON~~] TAX REVENUE INCREASE [~~RATE~~]

18 "The (name of the taxing unit) conducted public hearings on
19 (date of first hearing) and (date of second hearing) on a proposal
20 to increase the total tax revenues of the (name of the taxing unit)
21 from properties on the tax roll in the preceding year by (percentage
22 by which proposed tax rate exceeds lower of rollback tax rate or
23 effective tax rate calculated under this chapter) percent [~~on~~
24 ~~(dates and times public hearings were conducted)~~].

25 "The total tax revenue proposed to be raised last year at last
26 year's tax rate of (insert tax rate for the preceding year) for each
27 \$100 of taxable value was (insert total amount of taxes imposed in

1 the preceding year).

2 "The total tax revenue proposed to be raised this year at the
3 proposed tax rate of (insert proposed tax rate) for each \$100 of
4 taxable value, excluding tax revenue to be raised from new property
5 added to the tax roll this year, is (insert amount computed by
6 multiplying proposed tax rate by the difference between current
7 total value and new property value).

8 "The total tax revenue proposed to be raised this year at the
9 proposed tax rate of (insert proposed tax rate) for each \$100 of
10 taxable value, including tax revenue to be raised from new property
11 added to the tax roll this year, is (insert amount computed by
12 multiplying proposed tax rate by current total value).

13 "The (governing body of the taxing unit) is scheduled to vote
14 on the tax rate that will result in that tax increase at a public
15 meeting to be held on (date of meeting) at (location of meeting,
16 including mailing address) at (time of meeting ~~[and time]~~ at
17 ~~(meeting place)~~)."

18 SECTION 3. Section 26.06(b), Tax Code, as amended by
19 Chapter 1368, Acts of the 79th Legislature, Regular Session, 2005,
20 is repealed.

21 SECTION 4. (a) Sections 26.06(b) and (d), Tax Code, as
22 amended by this Act, apply to the publication of a notice required
23 by those sections in connection with the adoption of the ad valorem
24 tax rate of a taxing unit for the 2007 and subsequent tax years,
25 except as provided by Subsection (b) of this section.

26 (b) If the taxing unit published the notice required by
27 Section 26.06(b) or (d), Tax Code, as applicable, before the

1 effective date of this Act, Section 26.06(b) or (d), Tax Code, as
2 amended by this Act, applies to the publication of the notice
3 required by that section only in connection with the adoption of the
4 ad valorem tax rate for the taxing unit for the 2008 and subsequent
5 tax years.

6 SECTION 5. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect September 1, 2007.