

By: Hinojosa

S.B. No. 1510

A BILL TO BE ENTITLED

AN ACT

relating to the public notice required to be provided by certain taxing units before adopting an ad valorem tax rate.

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

SECTION 1. Chapter 140, Local Government Code, is amended by adding Section 140.010 to read as follows:

Sec. 140.010. PROPOSED PROPERTY TAX RATE NOTICE FOR COUNTIES AND MUNICIPALITIES. (a) In this section, "effective tax rate" and "rollback tax rate" mean the effective tax rate and rollback tax rate of a county or municipality, as applicable, as calculated under Chapter 26, Tax Code.

(b) Each county and municipality shall provide notice of the county's or municipality's proposed property tax rate in the manner provided by this section.

(c) A county or municipality that provides notice of the county's or municipality's proposed property tax rate in the manner provided by this section is exempt from the notice and publication requirements of Sections 26.04(e), 26.052, and 26.06, Tax Code, as applicable, and is not subject to an injunction for failure to comply with those requirements.

(d) A county or municipality that proposes a property tax rate that does not exceed the lower of the effective tax rate or the rollback tax rate shall publish the following notice:

"NOTICE OF (INSERT CURRENT TAX YEAR) TAX YEAR PROPOSED PROPERTY TAX RATE FOR (INSERT NAME OF COUNTY OR MUNICIPALITY)

"A tax rate of \$_____ per \$100 valuation has been proposed by the governing body of (insert name of county or municipality).

PROPOSED TAX RATE \$_____ per \$100

PRECEDING YEAR'S TAX RATE \$_____ per \$100

EFFECTIVE TAX RATE \$_____ per \$100

"The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for (insert name of county or municipality) from the same properties in both the (insert preceding tax year) tax year and the (insert current tax year) tax year.

"YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS

FOLLOWS:

$$\frac{\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property})}{100}$$

"For assistance or detailed information about tax calculations, please contact:

(insert name of county or municipal tax assessor-collector)

(insert name of county or municipality) tax

assessor-collector

(insert address)

(insert telephone number)

(insert e-mail address)

(insert Internet website address, if applicable)"

(e) A county or municipality that proposes a property tax rate that exceeds the lower of the effective tax rate or the

1 rollback tax rate shall publish the following notice:

2 "NOTICE OF (INSERT CURRENT TAX YEAR) TAX YEAR PROPOSED PROPERTY TAX
3 RATE FOR (INSERT NAME OF COUNTY OR MUNICIPALITY)

4 "A tax rate of \$_____ per \$100 valuation has been proposed for
5 adoption by the governing body of (insert name of county or
6 municipality). This rate exceeds the lower of the effective or
7 rollback tax rate, and state law requires that two public hearings
8 be held by the governing body before adopting the proposed tax rate.

9	<u>PROPOSED TAX RATE</u>	<u>\$_____ per \$100</u>
10	<u>PRECEDING YEAR'S TAX RATE</u>	<u>\$_____ per \$100</u>
11	<u>EFFECTIVE TAX RATE</u>	<u>\$_____ per \$100</u>
12	<u>ROLLBACK TAX RATE</u>	<u>\$_____ per \$100</u>

13 "The effective tax rate is the total tax rate needed to raise the
14 same amount of property tax revenue for (insert name of county or
15 municipality) from the same properties in both the (insert
16 preceding tax year) tax year and the (insert current tax year) tax
17 year.

18 "The rollback tax rate is the highest tax rate that (insert name of
19 county or municipality) may adopt before voters are entitled to
20 petition for an election to limit the rate that may be approved to
21 the rollback rate.

22 "YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS
23 FOLLOWS:

$$24 \quad \text{property tax amount} = \frac{(\text{rate}) \times (\text{taxable value of your property})}{25 \quad \quad \quad 100}$$

26 "For assistance or detailed information about tax calculations,
27 please contact:

1 (insert name of county or municipal tax assessor-collector)
2 (insert name of county or municipality) tax
3 assessor-collector
4 (insert address)
5 (insert telephone number)
6 (insert e-mail address)
7 (insert Internet website address, if applicable)

8 "You are urged to attend and express your views at the following
9 public hearings on the proposed tax rate:

10 First Hearing: (insert date and time) at (insert location of
11 meeting).

12 Second Hearing: (insert date and time) at (insert location
13 of meeting)."

14 (f) A county or municipality shall:

15 (1) publish the notice required by Subsection (d) or
16 (e), as applicable, not later than September 1 in a newspaper having
17 general circulation in:

18 (A) the county, in the case of notice published
19 by a county; or

20 (B) the county in which the municipality is
21 located or primarily located, in the case of notice published by a
22 municipality; and

23 (2) post the notice on the Internet website of the
24 county or municipality, if applicable, beginning not later than
25 September 1 and continuing until the county or municipality adopts
26 a tax rate.

27 (g) A notice required by Subsection (d) or (e) that is

1 published in a newspaper may not be smaller than one-quarter page of
2 a standard-size or a tabloid-size newspaper, and the headline on
3 the notice must be in 24-point or larger type.

4 (h) A county or municipality that publishes notice under
5 this section shall on request provide any information described by
6 Sections 26.04(e)(1)-(7), Tax Code, regarding the county or
7 municipality, as applicable.

8 SECTION 2. This Act applies only to an ad valorem tax year
9 that begins on or after the effective date of this Act.

10 SECTION 3. This Act takes effect January 1, 2014.