

By: Creighton, et al.  
(Bonnen of Brazoria)

S.B. No. 1760

Substitute the following for S.B. No. 1760:

By: Springer

C.S.S.B. No. 1760

A BILL TO BE ENTITLED

AN ACT

relating to the transparent and equitable application of ad valorem  
tax procedures.

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

SECTION 1. Section 1.111, Tax Code, is amended by adding  
Subsection (a-1) and amending Subsections (f) and (j) to read as  
follows:

(a-1) A lessee designated by a property owner as the owner's  
agent under Subsection (a) may, subject to the property owner's  
approval, designate a person to act as the lessee's agent for any  
purpose under this title for which the lessee is authorized to act  
on behalf of the owner in connection with the owner or the owner's  
property. An agent designated by a lessee under this subsection has  
the same authority and is subject to the same limitations as an  
agent designated by a property owner under Subsection (a).

SECTION 2. Section 5.07, Tax Code, is amended by adding  
Subsections (d) and (e) to read as follows:

(d) A property tax form that requires a signature may be  
signed by means of an electronically captured handwritten  
signature.

(e) A property tax form is not invalid or unenforceable  
solely because the form is a photocopy, facsimile, or electronic  
copy of the original.

SECTION 3. Chapter 5, Tax Code, is amended by adding Section

1 5.091 to read as follows:

2 Sec. 5.091. STATEWIDE LIST OF TAX RATES. (a) Each year the  
3 comptroller shall prepare a list that includes the total tax rate  
4 imposed by each taxing unit in this state, other than a school  
5 district, if the tax rate is reported to the comptroller, for the  
6 year preceding the year in which the list is prepared. The  
7 comptroller shall list the tax rates in descending order.

8 (b) Not later than December 31 of each year, the comptroller  
9 shall publish on the comptroller's Internet website the list  
10 required by Subsection (a).

11 SECTION 4. Section 11.431(b), Tax Code, is amended to read  
12 as follows:

13 (b) If a late application is approved after approval of the  
14 appraisal records by the appraisal review board, the chief  
15 appraiser shall notify the collector for each unit in which the  
16 residence is located. The collector shall deduct from the person's  
17 tax bill the amount of tax imposed on the exempted amount if the tax  
18 has not been paid. If the tax has been paid, the collector shall  
19 refund the amount of tax imposed on the exempted amount. A person is  
20 not required to apply for a refund under this subsection to receive  
21 the refund.

22 SECTION 5. Section 26.05(b), Tax Code, is amended to read as  
23 follows:

24 (b) A taxing unit may not impose property taxes in any year  
25 until the governing body has adopted a tax rate for that year, and  
26 the annual tax rate must be set by ordinance, resolution, or order,  
27 depending on the method prescribed by law for adoption of a law by

1 the governing body. The vote on the ordinance, resolution, or order  
2 setting the tax rate must be separate from the vote adopting the  
3 budget. For a taxing unit other than a school district, the [The]  
4 vote on the ordinance, resolution, or order setting a tax rate that  
5 exceeds the effective tax rate must be a record vote, and at least  
6 60 percent of the members of the governing body must vote in favor  
7 of the ordinance, resolution, or order. For a school district, the  
8 vote on the ordinance, resolution, or order setting a tax rate that  
9 exceeds the sum of the effective maintenance and operations tax  
10 rate of the district as determined under Section 26.08(i) and the  
11 district's current debt rate must be a record vote, and at least 60  
12 percent of the members of the governing body must vote in favor of  
13 the ordinance, resolution, or order. A motion to adopt an  
14 ordinance, resolution, or order setting a tax rate that exceeds the  
15 effective tax rate must be made in the following form: "I move that  
16 the property tax rate be increased by the adoption of a tax rate of  
17 (specify tax rate), which is effectively a (insert percentage by  
18 which the proposed tax rate exceeds the effective tax rate) percent  
19 increase in the tax rate." If the ordinance, resolution, or order  
20 sets a tax rate that, if applied to the total taxable value, will  
21 impose an amount of taxes to fund maintenance and operation  
22 expenditures of the taxing unit that exceeds the amount of taxes  
23 imposed for that purpose in the preceding year, the taxing unit  
24 must:

25 (1) include in the ordinance, resolution, or order in  
26 type larger than the type used in any other portion of the document:

27 (A) the following statement: "THIS TAX RATE WILL

1 RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S  
2 TAX RATE."; and

3 (B) if the tax rate exceeds the effective  
4 maintenance and operations rate, the following statement: "THE TAX  
5 RATE WILL EFFECTIVELY BE RAISED BY (INSERT PERCENTAGE BY WHICH THE  
6 TAX RATE EXCEEDS THE EFFECTIVE MAINTENANCE AND OPERATIONS RATE)  
7 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A  
8 \$100,000 HOME BY APPROXIMATELY \$(Insert amount)."; and

9 (2) include on the home page of any Internet website  
10 operated by the unit:

11 (A) the following statement: "(Insert name of  
12 unit) ADOPTED A TAX RATE THAT WILL RAISE MORE TAXES FOR MAINTENANCE  
13 AND OPERATIONS THAN LAST YEAR'S TAX RATE"; and

14 (B) if the tax rate exceeds the effective  
15 maintenance and operations rate, the following statement: "THE TAX  
16 RATE WILL EFFECTIVELY BE RAISED BY (INSERT PERCENTAGE BY WHICH THE  
17 TAX RATE EXCEEDS THE EFFECTIVE MAINTENANCE AND OPERATIONS RATE)  
18 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A  
19 \$100,000 HOME BY APPROXIMATELY \$(Insert amount)."

20 SECTION 6. Section [26.06](#)(d), Tax Code, is amended to read as  
21 follows:

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

"NOTICE OF TAX REVENUE INCREASE

"The (name of the taxing unit) conducted public hearings on (date of first hearing) and (date of second hearing) on a proposal to increase the total tax revenues of the (name of the taxing unit) from properties on the tax roll in the preceding year by (percentage by which proposed tax rate exceeds lower of rollback tax rate or effective tax rate calculated under this chapter) percent.

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

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

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

"The (governing body of the taxing unit) is scheduled to vote on the tax rate that will result in that tax increase at a public meeting to be held on (date of meeting) at (location of meeting, including mailing address) at (time of meeting).

"The (governing body of the taxing unit) proposes to use the

1 increase in total tax revenue for the purpose of (description of  
2 purpose of increase)."

3 SECTION 7. Section 26.15(f), Tax Code, is amended to read as  
4 follows:

5 (f) If a correction that decreases the tax liability of a  
6 property owner is made after the owner has paid the tax, the taxing  
7 unit shall refund to the property owner the difference between the  
8 tax paid and the tax legally due, except as provided by Section  
9 25.25(n). A property owner is not required to apply for a refund  
10 under this subsection to receive the refund.

11 SECTION 8. Section 26.08(b), Tax Code, is amended to read as  
12 follows:

13 (b) The governing body shall order that the election be held  
14 in the school district on a date not less than 30 or more than 90  
15 days after the day on which it adopted the tax rate. Section  
16 41.001, Election Code, does not apply to the election unless a date  
17 specified by that section falls within the time permitted by this  
18 section. At the election, the ballots shall be prepared to permit  
19 voting for or against the proposition: "Approving the ad valorem  
20 tax rate of \$\_\_\_\_\_ per \$100 valuation in (name of school district)  
21 for the current year, a rate that is \$\_\_\_\_\_ higher per \$100  
22 valuation than the school district rollback tax rate, for the  
23 purpose of (description of purpose of increase)." The ballot  
24 proposition must include the adopted tax rate and the difference  
25 between that rate and the rollback tax rate in the appropriate  
26 places.

27 SECTION 9. Section 42.23, Tax Code, is amended by adding

1 Subsection (i) to read as follows:

2 (i) If an appraisal district employee testifies as to the  
3 value of real property in an appeal under Section 42.25 or 42.26,  
4 the court may give preference to an employee who is a person  
5 authorized to perform an appraisal of real estate under Section  
6 1103.201, Occupations Code.

7 SECTION 10. Section 42.43(b), Tax Code, is amended to read  
8 as follows:

9 (b) For a refund made under this section, the taxing unit  
10 shall include with the refund interest on the amount refunded  
11 calculated at an annual rate of 9.5 [~~that is equal to the sum of two~~  
12 ~~percent and the most recent prime rate quoted and published by the~~  
13 ~~Federal Reserve Board as of the first day of the month in which the~~  
14 ~~refund is made, but not more than a total of eight]~~ percent,  
15 calculated from the delinquency date for the taxes until the date  
16 the refund is made.

17 SECTION 11. Sections 140.010(e) and (f), Local Government  
18 Code, are amended to read as follows:

19 (e) A county or municipality that proposes a property tax  
20 rate that exceeds the lower of the effective tax rate or the  
21 rollback tax rate shall provide the following notice:

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

24 "A tax rate of \$\_\_\_\_\_ per \$100 valuation has been proposed for  
25 adoption by the governing body of (insert name of county or  
26 municipality). This rate exceeds the lower of the effective or  
27 rollback tax rate, and state law requires that two public hearings

1 be held by the governing body before adopting the proposed tax rate.  
2 The governing body of (insert name of county or municipality)  
3 proposes to use revenue attributable to the tax rate increase for  
4 the purpose of (description of purpose of increase).

5	PROPOSED TAX RATE	\$_____ per \$100
6	PRECEDING YEAR'S TAX RATE	\$_____ per \$100
7	EFFECTIVE TAX RATE	\$_____ per \$100
8	ROLLBACK TAX RATE	\$_____ per \$100

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

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

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

$$20 \text{ property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) /$$

$$21 \qquad \qquad \qquad 100$$

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

24 (insert name of county or municipal tax assessor-collector)  
25 (insert name of county or municipality) tax  
26 assessor-collector  
27 (insert address)

1 (insert telephone number)

2 (insert e-mail address)

3 (insert Internet website address, if applicable)

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

6 First Hearing: (insert date and time) at (insert location of  
7 meeting).

8 Second Hearing: (insert date and time) at (insert location  
9 of meeting)."

10 (f) A county or municipality shall:

11 (1) provide the notice required by Subsection (d) or  
12 (e), as applicable, not later than the later of September 1 or the  
13 30th day after the first date that the taxing unit has received each  
14 applicable certified appraisal roll by:

15 (A) publishing the notice in a newspaper having  
16 general circulation in:

17 (i) the county, in the case of notice  
18 published by a county; or

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

22 (B) mailing the notice to each property owner in:

23 (i) the county, in the case of notice  
24 provided by a county; or

25 (ii) the municipality, in the case of  
26 notice provided by a municipality; and

27 (2) post the notice on the Internet website of the

1 county or municipality, if applicable, beginning not later than the  
2 later of September 1 or the 30th day after the first date that the  
3 taxing unit has received each applicable certified appraisal roll  
4 and continuing until the county or municipality adopts a tax rate.

5 SECTION 12. Subchapter H, Chapter 49, Water Code, is  
6 amended by adding Section 49.2361 to read as follows:

7 Sec. 49.2361. ADDITIONAL NOTICE FOR CERTAIN TAX INCREASES.

8 If a district proposes to adopt a combined tax rate that would  
9 authorize the qualified voters of the district by petition to  
10 require a rollback election to be held in the district, the notice  
11 required by Section 49.236 must include a description of the  
12 purpose of the proposed tax increase.

13 SECTION 13. The changes in law made by this Act apply only  
14 to an ad valorem tax year that begins on or after the effective date  
15 of this Act.

16 SECTION 14. (a) Except as provided by Subsection (b) of this  
17 section, this Act takes effect January 1, 2016.

18 (b) Section 42.23(i), Tax Code, as added by this Act, takes  
19 effect January 1, 2020.