

## **BILL ANALYSIS**

C.S.S.B. 1  
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Ways & Means  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Concerns have been raised regarding the pace at which local property taxes are increasing. C.S.S.B. 1 attempts to address these concerns by revising the formula by which the rollback tax rate is calculated for certain taxing units and expanding the applicability of statutory provisions requiring an election be held to ratify certain tax rate increases.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.S.B. 1 amends the Tax Code to reduce from 1.08 to 1.06 the multiplier used to calculate the rollback tax rate for a taxing unit other than a small taxing unit and to make the statutory calculation of the rollback tax rate using the 1.08 multiplier applicable only to a small taxing unit. The bill defines "small taxing unit," for purposes of property tax assessment provisions, as a junior college or a taxing unit, other than a school district, for which the maintenance and operations tax rate proposed for the current tax year is two cents or less per \$100 of taxable value or would impose taxes of \$25 million or less when applied to the current total value for the taxing unit. The bill authorizes the governing body of a taxing unit other than a small taxing unit to direct the designated officer or employee to calculate the unit's rollback tax rate according to the formula for a small taxing unit if any part of the unit is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States. The bill authorizes the designated officer or employee at the direction of the governing body to continue calculating the rollback tax rate in that manner until a prescribed date.

C.S.S.B. 1 subjects all taxing units other than small taxing units to statutory provisions providing for an automatic election to ratify a tax rate that exceeds the district's rollback tax rate. Those provisions expressly do not apply to a tax imposed by a taxing unit if a provision of an uncodified local or special law enacted by the 85th Legislature, Regular Session, 2017, or by an earlier legislature provides that provisions authorizing the qualified voters of a taxing unit to petition to require an election to be held to ratify an adopted tax rate that exceeds the district's rollback tax rate do not apply to a tax imposed by the taxing unit.

C.S.S.B. 1 amends the Water Code to include in the required notice of a public hearing on a water district's tax rate, if the proposed combined debt service, operation and maintenance, and contract tax rate exceeds the rollback tax rate, a description of the purpose of the proposed tax

increase. The bill sets out provisions, applicable to a water district that is a small taxing unit, relating to petitioning for and holding an election to determine whether to approve a combined debt service, operation and maintenance, and contract tax rate adopted by the board of a water district that would impose more than 1.08 times the amount of tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older.

C.S.S.B. 1 amends the Education Code, Health and Safety Code, Local Government Code, and Special District Local Laws Code, Tax Code, and Water Code, as applicable, to make conforming changes and to update certain references to and the applicability of provisions that relate to the payment of property tax refunds and interest and that relate to an additional penalty for collection costs for property taxes due on or after June 1.

C.S.S.B. 1 repeals the following provisions of the Water Code:

- Section 49.236, as added by Chapter 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session, 2003
- Section 49.2361

**EFFECTIVE DATE**

January 1, 2018.

**COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE**

While C.S.S.B. 1 may differ from the engrossed in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the engrossed and committee substitute versions of the bill.

SENATE ENGROSSED

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. This Act may be cited as the Texas Property Tax Reform and Relief Act of 2017.

No equivalent provision.

SECTION 2. Section 1.085(a), Tax Code, is amended to read as follows:

No equivalent provision.

(a) Notwithstanding any other provision in this title and except as provided by this section, any notice, rendition, application form, or completed application, or information requested under Section 41.461(a)(2), that is required or permitted by this title to be delivered between a chief appraiser, an appraisal district, an appraisal review board, or any combination of those persons and a property owner or ~~between a chief appraiser, an appraisal district, an appraisal review board, or any combination of those persons and~~ a person designated by a property owner under Section 1.111(f) may be delivered in an electronic format if the chief appraiser and the property owner

or person designated by the owner agree under this section.

SECTION 3. Chapter 5, Tax Code, is amended by adding Section 5.01 to read as follows:

Sec. 5.01. PROPERTY TAX ADMINISTRATION ADVISORY BOARD.

(a) The comptroller shall appoint the property tax administration advisory board to advise the comptroller with respect to the division or divisions within the office of the comptroller with primary responsibility for state administration of property taxation and state oversight of appraisal districts and local tax offices. The advisory board may make recommendations to the comptroller regarding improving the effectiveness and efficiency of the property tax system, best practices, and complaint resolution procedures.

(b) The advisory board is composed of at least six members appointed by the comptroller. The members of the board should include:

(1) representatives of property tax payers, appraisal districts, and school districts; and

(2) a person who has knowledge or experience in conducting ratio studies.

(c) The members of the advisory board serve at the pleasure of the comptroller.

(d) Any advice to the comptroller relating to a matter described by Subsection (a) that is provided by a member of the advisory board must be provided at a meeting called by the comptroller.

(e) Chapter 2110, Government Code, does not apply to the advisory board.

No equivalent provision.

SECTION 4. Sections 5.041(b), (c), and (e-1), Tax Code, are amended to read as follows:

(b) A member of the appraisal review board established for an appraisal district must complete the course established under Subsection (a). The course must provide at least eight hours of classroom training and education. A member of the appraisal review board may not participate in a hearing conducted by the board unless the person has completed the course established under Subsection (a) and received a certificate of course completion.

(c) The comptroller may contract with service providers to assist with the duties

No equivalent provision.

imposed under Subsection (a), but the course required may not be provided by an appraisal district, the chief appraiser or another employee of an appraisal district, a member of the board of directors of an appraisal district, a member of an appraisal review board, or a taxing unit. The comptroller may assess a fee to recover a portion of the costs incurred for the training course, but the fee may not exceed \$50 per person trained. If the training is provided to an individual other than a member of an appraisal review board, the comptroller may assess a fee not to exceed \$50 per person trained.

(e-1) In addition to the course established under Subsection (a), the comptroller shall approve curricula and provide materials for use in a continuing education course for members of an appraisal review board. The course must provide at least four hours of classroom training and education. The curricula and materials must include information regarding:

- (1) the cost, income, and market data comparison methods of appraising property;
- (2) the appraisal of business personal property;
- (3) the determination of capitalization rates for property appraisal purposes;
- (4) the duties of an appraisal review board;
- (5) the requirements regarding the independence of an appraisal review board from the board of directors and the chief appraiser and other employees of the appraisal district;
- (6) the prohibitions against ex parte communications applicable to appraisal review board members;
- (7) the Uniform Standards of Professional Appraisal Practice;
- (8) the duty of the appraisal district to substantiate the district's determination of the value of property;
- (9) the requirements regarding the equal and uniform appraisal of property;
- (10) the right of a property owner to protest the appraisal of the property as provided by Chapter 41; and
- (11) a detailed explanation of each of the actions described by Sections 25.25, 41.41(a), 41.411, 41.412, 41.413, 41.42, and 41.43 so that members are fully aware of each of the grounds on which a property appraisal can be appealed.

SECTION 5. Chapter 5, Tax Code, is amended by adding Section 5.043 to read as follows:

Sec. 5.043. TRAINING OF ARBITRATORS. (a) This section applies only to persons who have agreed to serve as arbitrators under Chapter 41A.

(b) The comptroller shall:

(1) approve curricula and provide an arbitration manual and other materials for use in training and educating arbitrators;

(2) make all materials for use in training and educating arbitrators freely available online; and

(3) establish and supervise a training program on property tax law for the training and education of arbitrators.

(c) The training program must:

(1) emphasize the requirements regarding the equal and uniform appraisal of property; and

(2) be at least four hours in length.

(d) The training program may be provided online. The comptroller by rule may prescribe the manner by which the comptroller may verify that a person taking the training program online has taken and completed the program.

(e) The comptroller may contract with service providers to assist with the duties imposed under Subsection (b), but the training program may not be provided by an appraisal district, the chief appraiser or another employee of an appraisal district, a member of the board of directors of an appraisal district, a member of an appraisal review board, or a taxing unit. The comptroller may assess a fee to recover a portion of the costs incurred for the training program, but the fee may not exceed \$50 for each person trained.

(f) The comptroller shall prepare an arbitration manual for use in the training program. The manual shall be updated regularly and may be revised on request, in writing, to the comptroller. The revised language must be approved by the unanimous agreement of a committee selected by the comptroller and representing, equally, taxpayers and chief appraisers. The person requesting the revision must pay the costs of mediation if the comptroller determines that mediation is required.

SECTION 6. Section 5.05, Tax Code, is amended by adding Subsection (c-1) to read as follows:

(c-1) An appraisal district shall appraise property in accordance with any appraisal manuals prepared and issued by the comptroller under this section.

No equivalent provision.

SECTION 7. Section 5.07, Tax Code, is amended by adding Subsections (f), (g), (h), and (i) to read as follows:

(f) In conjunction with prescribing a uniform record system to be used by all appraisal districts as required by Subsection (c), the comptroller shall prescribe tax rate calculation forms to be used by the designated officer or employee of each:

(1) taxing unit other than a school district to calculate and submit the equivalent tax rate and the rollback tax rate for the unit as required by Chapter 26; and

(2) school district to calculate and submit the equivalent tax rate, the rollback tax rate, and the rate to maintain the same amount of state and local revenue per weighted student that the district received in the school year beginning in the preceding tax year as required by Chapter 26.

(g) The forms described by Subsection (f) must be in an electronic format and:

(1) have blanks that can be filled in electronically;

(2) be capable of being certified by the designated officer or employee after completion as accurately calculating the applicable tax rates and using values that are the same as the values shown in the taxing unit's certified appraisal roll; and

(3) be capable of being electronically incorporated into the real-time tax database maintained by the tax notice officer of each appraisal district and submitted electronically to the county assessor-collector of each county in which all or part of the territory of the taxing unit is located.

(h) For purposes of Subsections (f) and (g), the comptroller shall use the forms published on the comptroller's Internet website as of January 1, 2017, as modified as necessary to comply with the requirements of those subsections. The forms may be updated at the discretion of the comptroller to reflect any change in the values used to calculate a tax rate, including the changes resulting from the

No equivalent provision.

implementation in the 2018 tax year of S.B. 1, Acts of the 85th Legislature, 1st Called Session, 2017, or similar legislation enacted at that session, or a change in a subsequent tax year resulting from a statutory change in a value used to calculate a tax rate. The forms may also be updated at the discretion of the comptroller to reflect formatting or other nonsubstantive changes.

(i) The comptroller may revise the forms to reflect statutory changes other than those described by Subsection (h) or on receipt of a request in writing. A revision under this subsection must be approved by the agreement of a majority of the members of a committee selected by the comptroller who are present at a committee meeting at which a quorum is present. The members of the committee must represent, equally, taxpayers and either taxing units or persons designated by taxing units. In the case of a revision for which the comptroller receives a request in writing, the person requesting the revision shall pay the costs of mediation if the comptroller determines that mediation is required.

SECTION 8. Section 5.091, Tax Code, is amended to read as follows:

Sec. 5.091. STATEWIDE LIST OF TAX RATES. (a) Each year the comptroller shall prepare a list that includes the total tax rate imposed by each taxing unit in this state, as ~~[other than a school district, if the tax rate is]~~ reported to the comptroller by each appraisal district, for the year ~~[preceeding the year]~~ in which the list is prepared. The comptroller shall:

(1) prescribe the manner in which and deadline by which appraisal districts are required to submit the tax rates to the comptroller; and

(2) list the tax rates alphabetically according to:

(A) the county or counties in which each taxing unit is located; and

(B) the name of each taxing unit ~~[in descending order]~~.

(b) Not later than January 1 ~~[December 31]~~ of the following ~~[each]~~ year, the comptroller shall publish on the comptroller's Internet website the list required by Subsection (a).

No equivalent provision.

SECTION 9. Sections 5.102(a) and (c), Tax Code, are amended to read as follows:

No equivalent provision.

(a) At least once every two years, the comptroller shall review the governance of each appraisal district, taxpayer assistance provided, and the operating and appraisal standards, procedures, and methodology used by each appraisal district, to determine compliance with generally accepted standards, procedures, and methodology, including compliance with standards, procedures, and methodology prescribed by appraisal manuals prepared and issued by the comptroller. After consultation with the property tax administration advisory board [~~committee created under Section 403.302, Government Code~~], the comptroller by rule may establish procedures and standards for conducting and scoring the review.

(c) At the conclusion of the review, the comptroller shall, in writing, notify the appraisal district concerning its performance in the review. If the review results in a finding that an appraisal district is not in compliance with generally accepted standards, procedures, and methodology, including compliance with standards, procedures, and methodology prescribed by appraisal manuals prepared and issued by the comptroller, the comptroller shall deliver a report that details the comptroller's findings and recommendations for improvement to:

- (1) the appraisal district's chief appraiser and board of directors; and
- (2) the superintendent and board of trustees of each school district participating in the appraisal district.

SECTION 10. Chapter 5, Tax Code, is amended by adding Section 5.104 to read as follows:

Sec. 5.104. APPRAISAL REVIEW BOARD SURVEY; REPORT. (a) The comptroller shall prepare:

- (1) an appraisal review board survey form that allows an individual described by Subsection (b) to submit comments and suggestions to the comptroller regarding an appraisal review board; and
- (2) instructions for completing and submitting the form.

(b) The following individuals may complete and submit a survey form under this section:

- (1) a property owner who files a motion under Section 25.25 to correct the appraisal roll or a protest under Chapter 41;

No equivalent provision.



(2) the designated agent of the property owner; or

(3) a designated representative of the appraisal district in which the motion or protest is filed who attends the hearing on the motion or protest.

(c) The survey form must allow an individual to submit comments and suggestions regarding:

(1) the matters listed in Section 5.103(b); and

(2) any other matter related to the fairness and efficiency of the appraisal review board.

(d) An appraisal district must provide the survey form and the instructions for completing and submitting the form to each property owner or designated agent of the owner at or before each hearing conducted under Section 25.25 or Chapter 41 by the appraisal review board established for the appraisal district or by a panel of the board.

(e) An individual who elects to submit the survey form must submit the form to the comptroller as provided by this section. An appraisal district may not accept a survey form submitted under this section. An individual may submit only one survey form for each motion or protest.

(f) The comptroller shall allow an individual to submit a survey form to the comptroller in the following manner:

(1) in person;

(2) by mail;

(3) by electronic mail; or

(4) through a web page on the comptroller's Internet website that allows the individual to complete and submit the form.

(g) An appraisal district may not require a property owner or the designated agent of the owner to complete a survey form at the appraisal office in order to be permitted to submit the form to the comptroller.

(h) A property owner, the designated agent of the owner, or a designated representative of an appraisal district who elects to submit a survey form must submit the form not later than the 45th day after the date the form is provided to the owner or agent under Subsection (d).

(i) The comptroller shall issue an annual report that summarizes the information included in the survey forms submitted during the preceding year. The report may not disclose the identity of an individual who submitted a survey form.

(j) The comptroller may adopt rules necessary to implement this section.

SECTION 11. Section 5.13(d), Tax Code, is amended to read as follows:

(d) In conducting a general audit, the comptroller shall consider and report on:

(1) the extent to which the district complies with applicable law or generally accepted standards of appraisal or other relevant practice, including appraisal standards and practices prescribed by appraisal manuals prepared and issued by the comptroller;

(2) the uniformity and level of appraisal of major kinds of property and the cause of any significant deviations from ideal uniformity and equality of appraisal of major kinds of property;

(3) duplication of effort and efficiency of operation;

(4) the general efficiency, quality of service, and qualification of appraisal district personnel; and

(5) except as otherwise provided by Subsection (b) [~~of this section~~], any other matter included in the request for the audit.

No equivalent provision.

SECTION 12. Section 6.035(a-1), Tax Code, is amended to read as follows:

(a-1) An individual is ineligible to serve on an appraisal district board of directors if the individual has engaged in the business of appraising property for compensation for use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the appraisal district at any time during the preceding three [~~five~~] years.

No equivalent provision.

SECTION 13. Section 6.05, Tax Code, is amended by adding Subsection (k) to read as follows:

(k) The chief appraiser shall establish an office of tax notices in the appraisal district. The office is responsible for delivering the notice required by Section 26.04(e-2) and creating and maintaining the database required by Section 26.17. The office is administered by the tax notice officer, who is appointed by and serves at the pleasure of the chief appraiser. The chief appraiser may designate other personnel to assist the tax notice officer in performing the functions of the office. In all communications, the office must identify itself as the "(insert name of

No equivalent provision.

county in which appraisal district is established) County Office of Tax Notices" rather than as the appraisal district.

SECTION 14. Section 6.15, Tax Code, is amended by adding Subsection (c-1) to read as follows:

No equivalent provision.

(c-1) Subsections (a) and (b) do not prohibit a member of the board of directors of an appraisal district from transmitting to the chief appraiser without comment a complaint by a property owner or taxing unit about the appraisal of a specific property, provided that the transmission is in writing.

SECTION 15. Section 6.41, Tax Code, is amended by amending Subsections (b) and (d-9) and adding Subsections (b-1), (b-2), and (d-10) to read as follows:

No equivalent provision.

(b) Except as provided by Subsection (b-1) or (b-2), an appraisal review [The] board consists of three members.

(b-1) An appraisal [However, the] district board of directors by resolution of a majority of the board's [its] members may increase the size of the district's appraisal review board to the number of members the board of directors considers appropriate.

(b-2) An appraisal district board of directors for a district established in a county with a population of one million or more by resolution of a majority of the board's members shall increase the size of the district's appraisal review board to the number of members the board of directors considers appropriate to manage the duties of the appraisal review board, including the duties of each special panel established under Section 6.425.

(d-9) In selecting individuals who are to serve as members of the appraisal review board for an appraisal district described by Subsection (b-2), the local administrative district judge shall select an adequate number of qualified individuals to permit the chairman of the appraisal review board to fill the positions on each special panel established under Section 6.425.

(d-10) Upon selection of the individuals who are to serve as members of the appraisal review board, the local administrative district judge shall enter an appropriate order designating such members and setting each member's respective term

of office, as provided elsewhere in this section.

SECTION 16. Sections 6.412(a) and (d), Tax Code, are amended to read as follows:

No equivalent provision.

(a) An individual is ineligible to serve on an appraisal review board if the individual:

(1) is related within the second degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to an individual who is engaged in the business of appraising property for compensation for use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the appraisal district for which the appraisal review board is established;

(2) owns property on which delinquent taxes have been owed to a taxing unit for more than 60 days after the date the individual knew or should have known of the delinquency unless:

(A) the delinquent taxes and any penalties and interest are being paid under an installment payment agreement under Section 33.02; or

(B) a suit to collect the delinquent taxes is deferred or abated under Section 33.06 or 33.065; or

(3) is related within the third degree by consanguinity or within the second degree by affinity, as determined under Chapter 573, Government Code, to a member of:

(A) the appraisal district's board of directors;  
or

(B) the appraisal review board.

(d) A person is ineligible to serve on the appraisal review board of an appraisal district established for a county described by Section 6.41(d-1) ~~[having a population of more than 100,000]~~ if the person:

(1) is a former member of the board of directors, former officer, or former employee of the appraisal district;

(2) served as a member of the governing body or officer of a taxing unit for which the appraisal district appraises property, until the fourth anniversary of the date the person ceased to be a member or officer; ~~[or]~~

(3) appeared before the appraisal review board for compensation during the two-year period preceding the date the person is appointed; or

(4) served for all or part of three previous terms as a board member or auxiliary board

member on the appraisal review board.

SECTION 17. Section 6.414(d), Tax Code, is amended to read as follows:

(d) An auxiliary board member may hear taxpayer protests before the appraisal review board. An auxiliary board member may not hear taxpayer protests before a special panel established under Section 6.425 unless the member is eligible to be appointed to the special panel. If one or more auxiliary board members sit on a panel established under Section 6.425 or 41.45 to conduct a protest hearing, the number of regular appraisal review board members required by that section to constitute the panel is reduced by the number of auxiliary board members sitting. An auxiliary board member sitting on a panel is considered a regular board member for all purposes related to the conduct of the hearing.

No equivalent provision.

SECTION 18. Section 6.42(a), Tax Code, is amended to read as follows:

(a) A majority of the appraisal review board constitutes a quorum. The local administrative district judge under Subchapter D, Chapter 74, Government Code, in the county in which ~~board of directors of~~ the appraisal district is established ~~[by resolution]~~ shall select a chairman and a secretary from among the members of the appraisal review board. The judge ~~board of directors of the appraisal district~~ is encouraged to select as chairman ~~[of the appraisal review board]~~ a member of the appraisal review board, if any, who has a background in law and property appraisal.

No equivalent provision.

SECTION 19. Section 6.42, Tax Code, is amended by adding Subsection (d) to read as follows:

(d) The concurrence of a majority of the members of the appraisal review board or a panel of the board present at a meeting of the board or panel is sufficient for a recommendation, determination, decision, or other action by the board or panel, and the concurrence of more than a majority of the members of the board or panel may not be required.

No equivalent provision.

SECTION 20. Subchapter C, Chapter 6, Tax Code, is amended by adding Section 6.425 to read as follows:

No equivalent provision.

Sec. 6.425. SPECIAL APPRAISAL REVIEW BOARD PANELS IN CERTAIN DISTRICTS. (a) This section applies only to the appraisal review board for an appraisal district described by Section 6.41(b-2).

(b) The appraisal review board shall establish special panels to conduct protest hearings under Chapter 41 relating to property that:

(1) has an appraised value of \$50 million or more as determined by the appraisal district; and

(2) is included in one of the following classifications:

(A) commercial real and personal property;

(B) real and personal property of utilities;

(C) industrial and manufacturing real and personal property; and

(D) multifamily residential real property.

(c) Each special panel described by this section consists of three members of the appraisal review board appointed by the chairman of the board.

(d) To be eligible to be appointed to a special panel described by this section, a member of the appraisal review board must:

(1) hold a juris doctor or equivalent degree;

(2) hold a master of business administration degree;

(3) be licensed as a certified public accountant under Chapter 901, Occupations Code;

(4) be accredited by the American Society of Appraisers as an accredited senior appraiser;

(5) possess an MAI professional designation from the Appraisal Institute;

(6) possess a Certified Assessment Evaluator (CAE) professional designation from the International Association of Assessing Officers;

(7) have at least 10 years of experience in property tax appraisal or consulting; or

(8) be licensed as a real estate broker or sales agent under Chapter 1101, Occupations Code.

(e) Notwithstanding Subsection (d), the chairman of the appraisal review board may appoint to a special panel described by this section a member of the appraisal review board who does not meet the qualifications prescribed by that subsection if:

(1) the number of persons appointed to the board by the local administrative district judge who meet those qualifications is not

sufficient to fill the positions on each special panel; and  
(2) the board member being appointed to the panel holds a bachelor's degree in any field.  
(f) In addition to conducting protest hearings relating to property described by Subsection (b) of this section, a special panel may conduct protest hearings under Chapter 41 relating to property not described by Subsection (b) of this section as assigned by the chairman of the appraisal review board.

SECTION 21. Section 11.4391(a), Tax Code, is amended to read as follows:

(a) The chief appraiser shall accept and approve or deny an application for an exemption for freeport goods under Section 11.251 after the deadline for filing it has passed if it is filed not later than June 1 [~~before the date the appraisal review board approves the appraisal records~~].

No equivalent provision.

SECTION 22. Section 22.23, Tax Code, is amended to read as follows:

Sec. 22.23. FILING DATE. (a) Rendition statements and property reports must be delivered to the chief appraiser after January 1 and not later than April 1 [~~15~~], except as provided by Section 22.02.

(b) On written request by the property owner, the chief appraiser shall extend a deadline for filing a rendition statement or property report to a date not later than May 1 [~~15~~]. The chief appraiser may further extend the deadline an additional 15 days upon good cause shown in writing by the property owner.

(c) Notwithstanding any other provision of this section, rendition statements and property reports for property regulated by the Public Utility Commission of Texas, the Railroad Commission of Texas, the federal Surface Transportation Board, or the Federal Energy Regulatory Commission must be delivered to the chief appraiser not later than April 30, except as provided by Section 22.02. The chief appraiser may extend the filing deadline 15 days for good cause shown in writing by the property owner.

No equivalent provision.

SECTION 23. Section 23.01(b), Tax Code, is amended to read as follows:

(b) The market value of property shall be determined by the application of generally accepted appraisal methods and techniques,

No equivalent provision.

including appraisal methods and techniques prescribed by appraisal manuals prepared and issued by the comptroller. If the appraisal district determines the appraised value of a property using mass appraisal standards, the mass appraisal standards must comply with the Uniform Standards of Professional Appraisal Practice. The same or similar appraisal methods and techniques shall be used in appraising the same or similar kinds of property. However, each property shall be appraised based upon the individual characteristics that affect the property's market value, and all available evidence that is specific to the value of the property shall be taken into account in determining the property's market value.

SECTION 24. Sections 25.19(a) and (g), Tax Code, are amended to read as follows:

No equivalent provision.

(a) By April 15 [4] or as soon thereafter as practicable [~~if the property is a single family residence that qualifies for an exemption under Section 11.13, or by May 1 or as soon thereafter as practicable in connection with any other property~~], the chief appraiser shall deliver a clear and understandable written notice to a property owner of the appraised value of the property owner's property if:

- (1) the appraised value of the property is greater than it was in the preceding year;
- (2) the appraised value of the property is greater than the value rendered by the property owner;
- (3) the property was not on the appraisal roll in the preceding year; or
- (4) an exemption or partial exemption approved for the property for the preceding year was canceled or reduced for the current year.

(g) By April 15 [4] or as soon thereafter as practicable [~~if the property is a single family residence that qualifies for an exemption under Section 11.13, or by May 1 or as soon thereafter as practicable in connection with any other property~~], the chief appraiser shall deliver a written notice to the owner of each property not included in a notice required to be delivered under Subsection (a), if the property was reappraised in the current tax year, if the ownership of the property changed during the preceding year, or if the property owner or the agent of a property owner authorized under Section 1.111 makes a written request for the notice. The



chief appraiser shall separate real from personal property and include in the notice for each property:

- (1) the appraised value of the property in the preceding year;
- (2) the appraised value of the property for the current year and the kind of each partial exemption, if any, approved for the current year;
- (3) a detailed explanation of the time and procedure for protesting the value; and
- (4) the date and place the appraisal review board will begin hearing protests.

SECTION 25. Effective January 1, 2019, Section 25.19, Tax Code, is amended by adding Subsections (b-3) and (b-4) to read as follows:

(b-3) This subsection applies only to an appraisal district described by Section 6.41(b-2). In addition to the information required by Subsection (b), the chief appraiser shall state in a notice of appraised value of property described by Section 6.425(b) that the property owner has the right to have a protest relating to the property heard by a special panel of the appraisal review board.

(b-4) Subsection (b)(5) applies only to a notice of appraised value required to be delivered by the chief appraiser of an appraisal district established in a county with a population of less than 120,000. This subsection expires January 1, 2020.

No equivalent provision.

SECTION 26. Effective January 1, 2020, Sections 25.19(b) and (i), Tax Code, are amended to read as follows:

(b) The chief appraiser shall separate real from personal property and include in the notice for each:

- (1) a list of the taxing units in which the property is taxable;
- (2) the appraised value of the property in the preceding year;
- (3) the taxable value of the property in the preceding year for each taxing unit taxing the property;
- (4) the appraised value of the property for the current year, the kind and amount of each exemption and partial exemption, if any, approved for the property for the current year and for the preceding year, and, if an exemption or partial exemption that was approved for the preceding year was

No equivalent provision.

canceled or reduced for the current year, the amount of the exemption or partial exemption canceled or reduced;

(5) ~~[if the appraised value is greater than it was in the preceding year, the amount of tax that would be imposed on the property on the basis of the tax rate for the preceding year;~~

~~[(6)]~~ in italic typeface, the following statement: "The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials, and all inquiries concerning your taxes should be directed to those officials";

~~(6)~~ ~~[(7)]~~ a detailed explanation of the time and procedure for protesting the value;

~~(7)~~ ~~[(8)]~~ the date and place the appraisal review board will begin hearing protests; and

~~(8)~~ ~~[(9)]~~ a brief explanation that the governing body of each taxing unit decides whether or not taxes on the property will increase and the appraisal district only determines the value of the property.

(i) Delivery with a notice required by Subsection (a) or (g) of a copy of the pamphlet published by the comptroller under Section 5.06 or a copy of the notice published by the chief appraiser under Section 41.70 is sufficient to comply with the requirement that the notice include the information specified by Subsection ~~(b)~~~~(7)~~ (b)(6) or (g)(3), as applicable.

SECTION 27. Section 25.22(a), Tax Code, is amended to read as follows:

(a) By May 1 ~~[15]~~ or as soon thereafter as practicable, the chief appraiser shall submit the completed appraisal records to the appraisal review board for review and determination of protests. However, the chief appraiser may not submit the records until the chief appraiser has delivered the notices required by Subsection (d) of Section 11.45, Subsection (d) of Section 23.44, Subsection (d) of Section 23.57, Subsection (d) of Section 23.79, Subsection (d) of Section 23.85, Subsection (d) of Section 23.95, Subsection (d) of Section 23.9805, and Section 25.19.

SECTION 28. Sections 26.01(a) and (e), Tax Code, are amended to read as follows:

(a) By July 10 ~~[25]~~, the chief appraiser shall

No equivalent provision.

No equivalent provision.

prepare and certify to the assessor for each taxing unit participating in the district that part of the appraisal roll for the district that lists the property taxable by the unit. The part certified to the assessor is the appraisal roll for the unit. The chief appraiser shall consult with the assessor for each taxing unit and notify each unit in writing by April 1 of the form in which the roll will be provided to each unit.

(e) Except as provided by Subsection (f), not later than May 15 [~~April 30~~], the chief appraiser shall prepare and certify to the assessor for each county, municipality, and school district participating in the appraisal district an estimate of the taxable value of property in that taxing unit. The chief appraiser shall assist each county, municipality, and school district in determining values of property in that taxing unit for the taxing unit's budgetary purposes.

SECTION 29. Section 26.012, Tax Code, is amended by amending Subdivisions (9) and (10) and adding Subdivision (19) to read as follows:

(9) "Equivalent [~~Effective~~] maintenance and operations rate" means a rate expressed in dollars per \$100 of taxable value and calculated according to the following formula:

EQUIVALENT                      [~~EFFECTIVE~~]  
MAINTENANCE AND OPERATIONS  
RATE = (LAST YEAR'S LEVY - LAST  
YEAR'S DEBT LEVY - LAST YEAR'S  
JUNIOR COLLEGE LEVY) / (CURRENT  
TOTAL VALUE - NEW PROPERTY  
VALUE)

(10) "Excess collections" means the amount, if any, by which debt taxes collected in the preceding year exceeded the amount anticipated in the preceding year's calculation of the rollback tax rate, as certified by the collector under Section 26.04(b) [~~of this code~~].

(19) "Small taxing unit" means a taxing unit, other than a school district, for which the sum of property tax proposed to be collected for the tax year and sales and use tax projected to be received from the state comptroller during the fiscal period is \$20 million or less.

SECTION 1. Section 26.012, Tax Code, is amended by adding Subdivision (18) to read as follows:

(18) "Small taxing unit" means:

(A) a taxing unit, other than a school district, for which the maintenance and operations tax rate proposed for the current tax year:

(i) is two cents or less per \$100 of taxable value; or

(ii) would impose taxes of \$25 million or less when applied to the current total value for the taxing unit; or

(B) a junior college district.

SECTION 30. The heading to Section 26.04, Tax Code, is amended to read as follows:

Sec. 26.04. SUBMISSION OF ROLL TO GOVERNING BODY; EQUIVALENT ~~[EFFECTIVE]~~ AND ROLLBACK TAX RATES.

SECTION 31. Section 26.04, Tax Code, is amended by amending Subsections (b), (c), (d), (e), (e-1), (f), (g), (i), and (j) and adding Subsections (c-1), (d-1), (d-2), (d-3), (e-2), (e-3), (e-4), (e-5), (h-1), and (h-2) to read as follows:

(b) The assessor shall submit the appraisal roll for the unit showing the total appraised, assessed, and taxable values of all property and the total taxable value of new property to the governing body of the unit by July 15 ~~[August 1]~~ or as soon thereafter as practicable. By July 15 ~~[August 1]~~ or as soon thereafter as practicable, the taxing unit's collector shall certify ~~[an estimate of]~~ the anticipated collection rate as calculated under Subsections (h), (h-1), and (h-2) for the current year to the governing body. If the collector certified an anticipated collection rate in the preceding year and the actual collection rate in that year exceeded the anticipated rate, the collector shall also certify the amount of debt taxes collected in excess of the anticipated amount in the preceding year.

(c) After the assessor for the unit submits the appraisal roll for the unit to the governing body of the unit as required by Subsection (b), an ~~[An]~~ officer or employee designated by the governing body shall calculate the equivalent ~~[effective]~~ tax rate and the rollback tax rate for the unit, where:

(1) "Equivalent ~~[Effective]~~ tax rate" means a rate expressed in dollars per \$100 of taxable value calculated according to the following formula:

EQUIVALENT ~~[EFFECTIVE]~~ TAX RATE = (LAST YEAR'S LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)

; and

(2) "Rollback tax rate" means a rate expressed in dollars per \$100 of taxable value calculated according to the following

No equivalent provision.

SECTION 2. Section 26.04, Tax Code, is amended by amending Subsection (c) and adding Subsection (c-1) to read as follows:

No equivalent provision.

(c) An officer or employee designated by the governing body shall calculate the effective tax rate and the rollback tax rate for the unit, where:

(1) "Effective tax rate" means a rate expressed in dollars per \$100 of taxable value calculated according to the following formula:

EFFECTIVE TAX RATE = (LAST YEAR'S LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)

; and

(2) "Rollback tax rate" means a rate expressed in dollars per \$100 of taxable value calculated according to the following

applicable formula:

(A) for a small taxing unit:

$$\text{ROLLBACK TAX RATE} = \frac{\text{EQUIVALENT MAINTENANCE AND OPERATIONS RATE} \times 1.08 + \text{CURRENT DEBT RATE}}{\text{EFFECTIVE MAINTENANCE AND OPERATIONS RATE}}$$

; or

(B) for a taxing unit other than a small taxing unit:

$$\text{ROLLBACK TAX RATE} = \frac{\text{EQUIVALENT MAINTENANCE AND OPERATIONS RATE} \times 1.04 + \text{CURRENT DEBT RATE}}{\text{EFFECTIVE MAINTENANCE AND OPERATIONS RATE}}$$

(c-1) Notwithstanding any other provision of this section, the governing body of a taxing unit other than a small taxing unit may direct the designated officer or employee to calculate the rollback tax rate of the unit in the manner provided for a small taxing unit if any part of the unit is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States. The designated officer or employee shall continue calculating the rollback tax rate in the manner provided by this subsection until the earlier of:

(1) the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred;

or

(2) the fifth tax year after the tax year in which the disaster occurred.

(d) The equivalent [effective] tax rate for a county is the sum of the equivalent [effective] tax rates calculated for each type of tax the county levies and the rollback tax rate for a county is the sum of the rollback tax rates calculated for each type of tax the county levies.

(d-1) The designated officer or employee shall use the tax rate calculation forms prescribed by the comptroller under Section 5.07 in calculating the equivalent tax rate and the rollback tax rate.

(d-2) The designated officer or employee may not submit the equivalent tax rate and the rollback tax rate to the governing body

applicable formula:

(A) for a small taxing unit:

$$\text{ROLLBACK TAX RATE} = \frac{\text{EFFECTIVE MAINTENANCE AND OPERATIONS RATE} \times 1.08 + \text{CURRENT DEBT RATE}}{\text{EFFECTIVE MAINTENANCE AND OPERATIONS RATE}}$$

; or

(B) for a taxing unit other than a small taxing unit:

$$\text{ROLLBACK TAX RATE} = \frac{\text{EFFECTIVE MAINTENANCE AND OPERATIONS RATE} \times 1.06 + \text{CURRENT DEBT RATE}}{\text{EFFECTIVE MAINTENANCE AND OPERATIONS RATE}}$$

(c-1) Notwithstanding any other provision of this section, the governing body of a taxing unit other than a small taxing unit may direct the designated officer or employee to calculate the rollback tax rate of the unit according to the formula applicable to a small taxing unit if any part of the unit is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States. The designated officer or employee at the direction of the governing body may continue calculating the rollback tax rate in the manner provided by this subsection until the earlier of:

(1) the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred;

or

(2) the third tax year after the tax year in which the disaster occurred.

No equivalent provision.

No equivalent provision.

No equivalent provision.

of the taxing unit and the unit may not adopt a tax rate until the designated officer or employee certifies on the tax rate calculation forms that the designated officer or employee has accurately calculated the tax rates and has used values that are the same as the values shown in the unit's certified appraisal roll in performing the calculations.

(d-3) As soon as practicable after the designated officer or employee calculates the equivalent tax rate and the rollback tax rate of the taxing unit, the designated officer or employee shall submit the tax rate calculation forms used in calculating the rates to the county assessor-collector for each county in which all or part of the territory of the unit is located.

(e) By July 22 [August 7] or as soon thereafter as practicable, the designated officer or employee shall submit the rates to the governing body. By July 27, the designated officer or employee [He] shall deliver by mail to each property owner in the unit or publish in a newspaper, and shall also post prominently on the home page of the unit's Internet website if published in a newspaper, in the form prescribed by the comptroller:

(1) the equivalent [effective] tax rate, the rollback tax rate, and an explanation of how they were calculated;

(2) the estimated amount of interest and sinking fund balances and the estimated amount of maintenance and operation or general fund balances remaining at the end of the current fiscal year that are not encumbered with or by corresponding existing debt obligation;

(3) a schedule of the unit's debt obligations showing:

(A) the amount of principal and interest that will be paid to service the unit's debts in the next year from property tax revenue, including payments of lawfully incurred contractual obligations providing security for the payment of the principal of and interest on bonds and other evidences of indebtedness issued on behalf of the unit by another political subdivision and, if the unit is created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, payments on debts that the unit anticipates to incur in the next calendar year;

(B) the amount by which taxes imposed for debt are to be increased because of the unit's

No equivalent provision.

No equivalent provision.

anticipated collection rate; and

(C) the total of the amounts listed in Paragraphs (A)-(B), less any amount collected in excess of the previous year's anticipated collections certified as provided in Subsection (b);

(4) the amount of additional sales and use tax revenue anticipated in calculations under Section 26.041;

(5) a statement that the adoption of a tax rate equal to the equivalent [effective] tax rate would result in an increase or decrease, as applicable, in the amount of taxes imposed by the unit as compared to last year's levy, and the amount of the increase or decrease;

(6) in the year that a taxing unit calculates an adjustment under Subsection (i) or (j), a schedule that includes the following elements:

(A) the name of the unit discontinuing the department, function, or activity;

(B) the amount of property tax revenue spent by the unit listed under Paragraph (A) to operate the discontinued department, function, or activity in the 12 months preceding the month in which the calculations required by this chapter are made; and

(C) the name of the unit that operates a distinct department, function, or activity in all or a majority of the territory of a taxing unit that has discontinued operating the distinct department, function, or activity; and

(7) in the year following the year in which a taxing unit raised its rollback tax rate as required by Subsection (j), a schedule that includes the following elements:

(A) the amount of property tax revenue spent by the unit to operate the department, function, or activity for which the taxing unit raised the rollback tax rate as required by Subsection (j) for the 12 months preceding the month in which the calculations required by this chapter are made; and

(B) the amount published by the unit in the preceding tax year under Subdivision (6)(B).

(e-1) The tax rate certification requirements imposed by Subsection (d-2) and the notice requirements imposed by Subsections (e)(1)-(6) do not apply to a school district.

(e-2) By July 22 or as soon thereafter as practicable, the tax notice officer of each appraisal district shall deliver by regular

No equivalent provision.

No equivalent provision.

mail or e-mail to each owner of property located in the appraisal district a notice that the estimated amount of taxes to be imposed on the owner's property by each taxing unit in which the property is located may be found in the real-time tax database maintained by the tax notice officer under Section 26.17. The notice must include:

(1) the following statement:

"PROPOSED (tax year) PROPERTY TAX BILL INFORMATION

"Information concerning the (insert tax year) property taxes on your property proposed by your local taxing units, together with information about expressing your support for or opposition to the proposed property taxes, may be found in the real-time tax notice at the website listed below:

"(address of the Internet website at which the information may be found)";

(2) a statement that the property owner may request from the county assessor-collector contact information for the assessor for each taxing unit in which the property is located, who must provide the information described by this subsection to the owner on request; and

(3) the address and telephone number of the county assessor-collector.

(e-3) The heading of the statement described by Subsection (e-2)(1) must be in bold, capital letters in typeset larger than that used in the other provisions of the notice.

No equivalent provision.

(e-4) The comptroller may adopt rules regarding the format and delivery of the notice required by Subsection (e-2).

No equivalent provision.

(e-5) The governing body of a taxing unit shall include as an appendix to the unit's budget for a fiscal year the tax rate calculation forms used by the designated officer or employee of the unit to calculate the equivalent tax rate and the rollback tax rate of the unit for the tax year in which the fiscal year begins.

No equivalent provision.

(f) If as a result of consolidation of taxing units a taxing unit includes territory that was in two or more taxing units in the preceding year, the amount of taxes imposed in each in the preceding year is combined for purposes of calculating the equivalent ~~effective~~ and rollback tax rates under this section.

No equivalent provision.

(g) A person who owns taxable property is entitled to an injunction prohibiting the taxing unit in which the property is taxable from adopting a tax rate if the assessor or

No equivalent provision.



designated officer or employee of the unit, the tax notice officer of the applicable appraisal district, or the taxing unit, as applicable, has not complied with the computation, [or] publication, or posting requirements of this section or Section 26.16, 26.17, or 26.18 [and the failure to comply was not in good faith]. It is a defense in an action for an injunction under this subsection that the failure to comply was in good faith.

No equivalent provision.

(h-1) Notwithstanding Subsection (h), if the anticipated collection rate of a taxing unit as calculated under that subsection is lower than the lowest actual collection rate of the taxing unit for any of the preceding three years, the anticipated collection rate of the taxing unit for purposes of this section is equal to the lowest actual collection rate of the taxing unit for any of the preceding three years.

No equivalent provision.

(h-2) The anticipated collection rate of a taxing unit for purposes of this section is the rate calculated under Subsection (h) as modified by Subsection (h-1), if applicable, regardless of whether that rate exceeds 100 percent.

No equivalent provision.

(i) This subsection applies to a taxing unit that has agreed by written contract to transfer a distinct department, function, or activity to another taxing unit and discontinues operating that distinct department, function, or activity if the operation of that department, function, or activity in all or a majority of the territory of the taxing unit is continued by another existing taxing unit or by a new taxing unit. The rollback tax rate of a taxing unit to which this subsection applies in the first tax year in which a budget is adopted that does not allocate revenue to the discontinued department, function, or activity is calculated as otherwise provided by this section, except that last year's levy used to calculate the equivalent [effective] maintenance and operations rate of the unit is reduced by the amount of maintenance and operations tax revenue spent by the taxing unit to operate the department, function, or activity for the 12 months preceding the month in which the calculations required by this chapter are made and in which the unit operated the discontinued department, function, or activity. If the unit did not operate that

department, function, or activity for the full 12 months preceding the month in which the calculations required by this chapter are made, the unit shall reduce last year's levy used for calculating the equivalent [~~effective~~] maintenance and operations rate of the unit by the amount of the revenue spent in the last full fiscal year in which the unit operated the discontinued department, function, or activity.

(j) This subsection applies to a taxing unit that had agreed by written contract to accept the transfer of a distinct department, function, or activity from another taxing unit and operates a distinct department, function, or activity if the operation of a substantially similar department, function, or activity in all or a majority of the territory of the taxing unit has been discontinued by another taxing unit, including a dissolved taxing unit. The rollback tax rate of a taxing unit to which this subsection applies in the first tax year after the other taxing unit discontinued the substantially similar department, function, or activity in which a budget is adopted that allocates revenue to the department, function, or activity is calculated as otherwise provided by this section, except that last year's levy used to calculate the equivalent [~~effective~~] maintenance and operations rate of the unit is increased by the amount of maintenance and operations tax revenue spent by the taxing unit that discontinued operating the substantially similar department, function, or activity to operate that department, function, or activity for the 12 months preceding the month in which the calculations required by this chapter are made and in which the unit operated the discontinued department, function, or activity. If the unit did not operate the discontinued department, function, or activity for the full 12 months preceding the month in which the calculations required by this chapter are made, the unit may increase last year's levy used to calculate the equivalent [~~effective~~] maintenance and operations rate by an amount not to exceed the amount of property tax revenue spent by the discontinuing unit to operate the discontinued department, function, or activity in the last full fiscal year in which the discontinuing unit operated the department, function, or activity.

No equivalent provision.

SECTION 32. Section 26.041, Tax Code, is amended by amending Subsections (a), (b), (c), (e), (g), and (h) and adding Subsection (c-1) to read as follows:

(a) In the first year in which an additional sales and use tax is required to be collected, the equivalent ~~[effective]~~ tax rate and rollback tax rate for the unit are calculated according to the following formulas:

EQUIVALENT ~~[EFFECTIVE]~~ TAX RATE = [(LAST YEAR'S LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] - SALES TAX GAIN RATE

and

ROLLBACK TAX RATE FOR SMALL TAXING UNIT = (EQUIVALENT ~~[EFFECTIVE]~~ MAINTENANCE AND OPERATIONS RATE x 1.08) + CURRENT DEBT RATE - SALES TAX GAIN RATE

or

ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SMALL TAXING UNIT = (EQUIVALENT MAINTENANCE AND OPERATIONS RATE x 1.04) + CURRENT DEBT RATE - SALES TAX GAIN RATE

where "sales tax gain rate" means a number expressed in dollars per \$100 of taxable value, calculated by dividing the revenue that will be generated by the additional sales and use tax in the following year as calculated under Subsection (d) ~~[of this section]~~ by the current total value.

(b) Except as provided by Subsections (a) and (c) ~~[of this section]~~, in a year in which a taxing unit imposes an additional sales and use tax, the rollback tax rate for the unit is calculated according to the following applicable formula, regardless of whether the unit levied a property tax in the preceding year:

ROLLBACK TAX RATE FOR SMALL TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.08) / (~~[TOTAL]~~ CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + (CURRENT DEBT RATE - SALES TAX REVENUE RATE)

or

ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SMALL TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.04) / (CURRENT TOTAL VALUE - NEW

SECTION 3. Section 26.041, Tax Code, is amended by amending Subsections (a), (b), and (c) and adding Subsection (c-1) to read as follows:

(a) In the first year in which an additional sales and use tax is required to be collected, the effective tax rate and rollback tax rate for the unit are calculated according to the following formulas:

EFFECTIVE TAX RATE = [(LAST YEAR'S LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] - SALES TAX GAIN RATE

~~[and]~~

ROLLBACK TAX RATE FOR SMALL TAXING UNIT = (EFFECTIVE MAINTENANCE AND OPERATIONS RATE x 1.08) + CURRENT DEBT RATE - SALES TAX GAIN RATE

and

ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SMALL TAXING UNIT = (EFFECTIVE MAINTENANCE AND OPERATIONS RATE x 1.06) + CURRENT DEBT RATE - SALES TAX GAIN RATE

where "sales tax gain rate" means a number expressed in dollars per \$100 of taxable value, calculated by dividing the revenue that will be generated by the additional sales and use tax in the following year as calculated under Subsection (d) ~~[of this section]~~ by the current total value.

(b) Except as provided by Subsections (a) and (c) ~~[of this section]~~, in a year in which a taxing unit imposes an additional sales and use tax, the rollback tax rate for the unit is calculated according to the following applicable formula, regardless of whether the unit levied a property tax in the preceding year:

ROLLBACK TAX RATE FOR SMALL TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.08) / (~~[TOTAL]~~ CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + (CURRENT DEBT RATE - SALES TAX REVENUE RATE)

or

ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SMALL TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.06) / (CURRENT TOTAL VALUE - NEW

PROPERTY VALUE)] + (CURRENT DEBT RATE - SALES TAX REVENUE RATE)

where "last year's maintenance and operations expense" means the amount spent for maintenance and operations from property tax and additional sales and use tax revenues in the preceding year, and "sales tax revenue rate" means a number expressed in dollars per \$100 of taxable value, calculated by dividing the revenue that will be generated by the additional sales and use tax in the current year as calculated under Subsection (d) ~~[of this section]~~ by the current total value.

(c) In a year in which a taxing unit that has been imposing an additional sales and use tax ceases to impose an additional sales and use tax, the equivalent ~~[effective]~~ tax rate and rollback tax rate for the unit are calculated according to the following formulas:

EQUIVALENT ~~[EFFECTIVE]~~ TAX RATE =  $[(\text{LAST YEAR'S LEVY} - \text{LOST PROPERTY LEVY}) / (\text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE})] + \text{SALES TAX LOSS RATE}$

~~[and]~~

ROLLBACK TAX RATE FOR SMALL TAXING UNIT =  $[(\text{LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE} \times 1.08) / ((\text{TOTAL}) \text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE})] + \text{CURRENT DEBT RATE}$

and

ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SMALL TAXING UNIT =  $[(\text{LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE} \times 1.04) / (\text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE})] + \text{CURRENT DEBT RATE}$

where "sales tax loss rate" means a number expressed in dollars per \$100 of taxable value, calculated by dividing the amount of sales and use tax revenue generated in the last four quarters for which the information is available by the current total value and "last year's maintenance and operations expense" means the amount spent for maintenance and operations from property tax and additional sales and use tax revenues in the preceding year.

(c-1) Notwithstanding any other provision of this section, the governing body of a

PROPERTY VALUE)] + (CURRENT DEBT RATE - SALES TAX REVENUE RATE)

where "last year's maintenance and operations expense" means the amount spent for maintenance and operations from property tax and additional sales and use tax revenues in the preceding year, and "sales tax revenue rate" means a number expressed in dollars per \$100 of taxable value, calculated by dividing the revenue that will be generated by the additional sales and use tax in the current year as calculated under Subsection (d) ~~[of this section]~~ by the current total value.

(c) In a year in which a taxing unit that has been imposing an additional sales and use tax ceases to impose an additional sales and use tax, the effective tax rate and rollback tax rate for the unit are calculated according to the following formulas:

EFFECTIVE TAX RATE =  $[(\text{LAST YEAR'S LEVY} - \text{LOST PROPERTY LEVY}) / (\text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE})] + \text{SALES TAX LOSS RATE}$

~~[and]~~

ROLLBACK TAX RATE FOR SMALL TAXING UNIT =  $[(\text{LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE} \times 1.08) / ((\text{TOTAL}) \text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE})] + \text{CURRENT DEBT RATE}$

and

ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SMALL TAXING UNIT =  $[(\text{LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE} \times 1.06) / (\text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE})] + \text{CURRENT DEBT RATE}$

where "sales tax loss rate" means a number expressed in dollars per \$100 of taxable value, calculated by dividing the amount of sales and use tax revenue generated in the last four quarters for which the information is available by the current total value and "last year's maintenance and operations expense" means the amount spent for maintenance and operations from property tax and additional sales and use tax revenues in the preceding year.

(c-1) Notwithstanding any other provision of this section, the governing body of a taxing unit other than a small taxing unit

taxing unit other than a small taxing unit may direct the designated officer or employee to calculate the rollback tax rate of the unit in the manner provided for a small taxing unit if any part of the unit is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States. The designated officer or employee shall continue calculating the rollback tax rate in the manner provided by this subsection until the earlier of:

(1) the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred;

or

(2) the fifth tax year after the tax year in which the disaster occurred.

(e) If a city that imposes an additional sales and use tax receives payments under the terms of a contract executed before January 1, 1986, in which the city agrees not to annex certain property or a certain area and the owners or lessees of the property or of property in the area agree to pay at least annually to the city an amount determined by reference to all or a percentage of the property tax rate of the city and all or a part of the value of the property subject to the agreement or included in the area subject to the agreement, the governing body, by order adopted by a majority vote of the governing body, may direct the designated officer or employee to add to the equivalent [effective] and rollback tax rates the amount that, when applied to the total taxable value submitted to the governing body, would produce an amount of taxes equal to the difference between the total amount of payments for the tax year under contracts described by this subsection under the rollback tax rate calculated under this section and the total amount of payments for the tax year that would have been obligated to the city if the city had not adopted an additional sales and use tax.

(g) If the rate of the additional sales and use tax is increased, the designated officer or employee shall make two projections, in the

may direct the designated officer or employee to calculate the rollback tax rate of the unit according to the formula applicable to a small taxing unit if any part of the unit is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States. The designated officer or employee at the direction of the governing body may continue calculating the rollback tax rate in the manner provided by this subsection until the earlier of:

(1) the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred;

or

(2) the third tax year after the tax year in which the disaster occurred.

No equivalent provision.

No equivalent provision.

manner provided by Subsection (d) [~~of this section~~], of the revenue generated by the additional sales and use tax in the following year. The first projection must take into account the increase and the second projection must not take into account the increase. The designated officer or employee shall then subtract the amount of the result of the second projection from the amount of the result of the first projection to determine the revenue generated as a result of the increase in the additional sales and use tax. In the first year in which an additional sales and use tax is increased, the equivalent [~~effective~~] tax rate for the unit is the equivalent [~~effective~~] tax rate before the increase minus a number the numerator of which is the revenue generated as a result of the increase in the additional sales and use tax, as determined under this subsection, and the denominator of which is the current total value minus the new property value.

(h) If the rate of the additional sales and use tax is decreased, the designated officer or employee shall make two projections, in the manner provided by Subsection (d) [~~of this section~~], of the revenue generated by the additional sales and use tax in the following year. The first projection must take into account the decrease and the second projection must not take into account the decrease. The designated officer or employee shall then subtract the amount of the result of the first projection from the amount of the result of the second projection to determine the revenue lost as a result of the decrease in the additional sales and use tax. In the first year in which an additional sales and use tax is decreased, the equivalent [~~effective~~] tax rate for the unit is the equivalent [~~effective~~] tax rate before the decrease plus a number the numerator of which is the revenue lost as a result of the decrease in the additional sales and use tax, as determined under this subsection, and the denominator of which is the current total value minus the new property value.

No equivalent provision.

SECTION 33. The heading to Section 26.043, Tax Code, is amended to read as follows:

Sec. 26.043. ROLLBACK AND EQUIVALENT [~~EFFECTIVE~~] TAX RATES [~~RATE~~] IN CITY IMPOSING MASS TRANSIT SALES AND USE TAX.

SECTION 4. The heading to Section 26.043, Tax Code, is amended to read as follows:

Sec. 26.043. ROLLBACK AND EFFECTIVE TAX RATES [~~RATE~~] IN CITY IMPOSING MASS TRANSIT SALES AND USE TAX.

SECTION 34. Sections 26.043(a) and (b), Tax Code, are amended to read as follows:

(a) In the tax year in which a city has set an election on the question of whether to impose a local sales and use tax under Subchapter H, Chapter 453, Transportation Code, the officer or employee designated to make the calculations provided by Section 26.04 may not make those calculations until the outcome of the election is determined. If the election is determined in favor of the imposition of the tax, the representative shall subtract from the city's rollback and equivalent [~~effective~~] tax rates the amount that, if applied to the city's current total value, would impose an amount equal to the amount of property taxes budgeted in the current tax year to pay for expenses related to mass transit services.

(b) In a tax year to which this section applies, a reference in this chapter to the city's equivalent [~~effective~~] or rollback tax rate refers to that rate as adjusted under this section.

No equivalent provision.

SECTION 35. The heading to Section 26.044, Tax Code, is amended to read as follows:

Sec. 26.044. EQUIVALENT [~~EFFECTIVE~~] TAX RATE TO PAY FOR STATE CRIMINAL JUSTICE MANDATE.

No equivalent provision.

SECTION 36. Sections 26.044(a), (b), and (c), Tax Code, are amended to read as follows:

(a) The first time that a county adopts a tax rate after September 1, 1991, in which the state criminal justice mandate applies to the county, the equivalent [~~effective~~] maintenance and operation rate for the county is increased by the rate calculated according to the following formula:

(State Criminal Justice Mandate) / (Current Total Value - New Property Value)

(b) In the second and subsequent years that a county adopts a tax rate, if the amount spent by the county for the state criminal justice mandate increased over the previous year, the equivalent [~~effective~~] maintenance and operation rate for the county is increased by the rate calculated according to the following formula:

(This Year's State Criminal Justice Mandate - Previous Year's State Criminal Justice Mandate) / (Current Total Value - New

No equivalent provision.

Property Value)

(c) The county shall include a notice of the increase in the equivalent [effective] maintenance and operation rate provided by this section, including a description and amount of the state criminal justice mandate, in the information published under Section 26.04(e) and Section 26.06(b) [~~of this code~~].

SECTION 37. Sections 26.0441(a), (b), and (c), Tax Code, are amended to read as follows:

No equivalent provision.

(a) In the first tax year in which a taxing unit adopts a tax rate after January 1, 2000, and in which the enhanced minimum eligibility standards for indigent health care established under Section 61.006, Health and Safety Code, apply to the taxing unit, the equivalent [effective] maintenance and operations rate for the taxing unit is increased by the rate computed according to the following formula:

Amount of Increase = Enhanced Indigent Health Care Expenditures / (Current Total Value - New Property Value)

(b) In each subsequent tax year, if the taxing unit's enhanced indigent health care expenses exceed the amount of those expenses for the preceding year, the equivalent [effective] maintenance and operations rate for the taxing unit is increased by the rate computed according to the following formula:

Amount of Increase = (Current Tax Year's Enhanced Indigent Health Care Expenditures - Preceding Tax Year's Indigent Health Care Expenditures) / (Current Total Value - New Property Value)

(c) The taxing unit shall include a notice of the increase in its equivalent [effective] maintenance and operations rate provided by this section, including a brief description and the amount of the enhanced indigent health care expenditures, in the information published under Section 26.04(e) and, if applicable, Section 26.06(b).

SECTION 38. Chapter 26, Tax Code, is amended by adding Section 26.0446 to read as follows:

No equivalent provision.

Sec. 26.0446. ELECTION TO APPLY LAW GOVERNING TAXING UNIT OTHER THAN SMALL TAXING UNIT TO SMALL TAXING UNIT. (a) On the



uniform election date prescribed by Section 41.001, Election Code, in May of 2018, each taxing unit that would have been a small taxing unit in the 2017 tax year if Section 26.012(19) had been in effect in that tax year shall call an election for the purpose of allowing the voters in the taxing unit to determine whether the law governing a taxing unit other than a small taxing unit shall apply to the taxing unit. At the election, the ballots shall be prepared to permit voting for or against the proposition: "Limiting the rate at which the maintenance and operations taxes of the (name of taxing unit) may be increased without voter approval to four percent rather than eight percent and requiring an automatic election to ratify a proposed tax rate that would increase those taxes by more than that amount instead of requiring an election to limit the tax rate only if the voters petition for such an election."

(b) If a majority of the votes cast in the election favor the proposition, the taxing unit is considered to be a taxing unit other than a small taxing unit regardless of whether it meets the definition of a small taxing unit under Section 26.012.

(c) If the proposition is not approved as provided by Subsection (b), the taxing unit is considered to be a taxing unit other than a small taxing unit only if it does not meet the definition of a small taxing unit under Section 26.012.

(d) The secretary of state by rule shall prescribe procedures for holding an election under this section.

SECTION 39. Section 26.05, Tax Code, is amended by amending Subsections (a), (b), (c), (d), (e), and (g) and adding Subsections (d-1), (d-2), and (e-1) to read as follows:

(a) ~~The governing body of each taxing unit[, before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the taxing unit,] shall adopt a tax rate for the current tax year and shall notify the assessor for the unit of the rate adopted. The governing body must adopt a tax rate before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the taxing unit, except that the governing body must adopt a tax rate that exceeds the rollback tax rate before August 15.~~ The tax rate consists of

No equivalent provision.

two components, each of which must be approved separately. The components are:

(1) for a taxing unit other than a school district, the rate that, if applied to the total taxable value, will impose the total amount published under Section 26.04(e)(3)(C), less any amount of additional sales and use tax revenue that will be used to pay debt service, or, for a school district, the rate calculated under Section 44.004(c)(5)(A)(ii)(b), Education Code; and

(2) the rate that, if applied to the total taxable value, will impose the amount of taxes needed to fund maintenance and operation expenditures of the unit for the next year.

(b) A taxing unit may not impose property taxes in any year until the governing body has adopted a tax rate for that year, and the annual tax rate must be set by ordinance, resolution, or order, depending on the method prescribed by law for adoption of a law by the governing body. The vote on the ordinance, resolution, or order setting the tax rate must be separate from the vote adopting the budget. For a taxing unit other than a school district, the vote on the ordinance, resolution, or order setting a tax rate that exceeds the equivalent ~~[effective]~~ tax rate must be a record vote, and at least 60 percent of the members of the governing body must vote in favor of the ordinance, resolution, or order. For a school district, the vote on the ordinance, resolution, or order setting a tax rate that exceeds the sum of the equivalent ~~[effective]~~ maintenance and operations tax rate of the district as determined under Section 26.08(i) and the district's current debt rate must be a record vote, and at least 60 percent of the members of the governing body must vote in favor of the ordinance, resolution, or order. A motion to adopt an ordinance, resolution, or order setting a tax rate that exceeds the equivalent ~~[effective]~~ tax rate must be made in the following form: "I move that the property tax rate be increased by the adoption of a tax rate of (specify tax rate), which is effectively a (insert percentage by which the proposed tax rate exceeds the equivalent ~~[effective]~~ tax rate) percent increase in the tax rate." If the ordinance, resolution, or order sets a tax rate that, if applied to the total taxable value, will impose an amount of taxes to fund maintenance and operation

expenditures of the taxing unit that exceeds the amount of taxes imposed for that purpose in the preceding year, the taxing unit must:

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

(A) the following statement: "THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE."; and

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

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

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

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

(c) If the governing body of a taxing unit does not adopt a tax rate before the date required by Subsection (a), the tax rate for the taxing unit for that tax year is the lower of the equivalent [effective] tax rate calculated for that tax year or the tax rate adopted by the taxing unit for the preceding tax year. A tax rate established by this subsection is treated as an adopted tax rate. Before the fifth day after the establishment of a tax rate by this subsection, the governing body of the taxing unit must

ratify the applicable tax rate in the manner required by Subsection (b).

(d) The governing body of a taxing unit other than a school district may not adopt a tax rate that exceeds the lower of the rollback tax rate or the equivalent [effective] tax rate calculated as provided by this chapter until the governing body has held two public hearings on the proposed tax rate and has otherwise complied with Section 26.06 and Section 26.065. The governing body of a taxing unit shall reduce a tax rate set by law or by vote of the electorate to the lower of the rollback tax rate or the equivalent [effective] tax rate and may not adopt a higher rate unless it first complies with Section 26.06.

(d-1) The governing body of a taxing unit may not hold a public hearing on a proposed tax rate or a public meeting to adopt a tax rate until the 14th day after the date the officer or employee designated by the governing body of the unit to calculate the equivalent tax rate and the rollback tax rate for the unit complies with Section 26.17.

(d-2) Notwithstanding Subsection (a), the governing body of a taxing unit other than a school district may not adopt a tax rate until:

(1) the tax notice officer of each appraisal district in which the taxing unit participates has delivered the notice required by Section 26.04(e-2);

(2) the designated officer or employee of the taxing unit has:

(A) entered in the real-time tax database maintained by the tax notice officer the information described by Section 26.17(b) for the current tax year; and

(B) incorporated the completed tax rate calculation forms prepared under Section 26.04(d-1) into the real-time tax database maintained by the tax notice officer; and

(3) the taxing unit has posted the information described by Section 26.18 on the Internet website used by the taxing unit for that purpose.

(e) A person who owns taxable property is entitled to an injunction restraining the collection of taxes by a taxing unit in which the property is taxable if the taxing unit has not complied with the requirements of this section or Section 26.04 [~~and the failure to comply was not in good faith~~]. It is a defense in an action for an injunction under this subsection that the failure to comply

was in good faith. An action to enjoin the collection of taxes must be filed not later than the 15th day after the date the taxing unit adopts a tax rate. A property owner is not required to pay the taxes imposed by a taxing unit on the owner's property while an action filed by the property owner to enjoin the collection of taxes imposed by the taxing unit on the owner's property is pending. If the property owner pays the taxes and subsequently prevails in the action, the property owner is entitled to a refund of the taxes paid, together with reasonable attorney's fees and court costs. The property owner is not required to apply to the collector for the taxing unit to receive the refund [prior to the date a taxing unit delivers substantially all of its tax bills].

(e-1) The governing body of a taxing unit that imposes an additional sales and use tax may not adopt the component of the tax rate of the unit described by Subsection (a)(1) of this section until the chief financial officer or the auditor for the unit submits to the governing body of the unit a written certification that the amount of additional sales and use tax revenue that will be used to pay debt service has been deducted from the total amount published under Section 26.04(e)(3)(C) as required by Subsection (a)(1) of this section. The comptroller shall adopt rules governing the form of the certification required by this subsection and the manner in which it is required to be submitted.

(g) Notwithstanding Subsection (a), the governing body of a school district that elects to adopt a tax rate before the adoption of a budget for the fiscal year that begins in the current tax year may adopt a tax rate for the current tax year before receipt of the certified appraisal roll for the school district if the chief appraiser of the appraisal district in which the school district participates has certified to the assessor for the school district an estimate of the taxable value of property in the school district as provided by Section 26.01(e). If a school district adopts a tax rate under this subsection, the equivalent ~~effective~~ tax rate and the rollback tax rate of the district shall be calculated based on the certified estimate of taxable value.

SECTION 40. Section 26.052, Tax Code, is amended by amending Subsection (e) and

No equivalent provision.

adding Subsection (f) to read as follows:

(e) Public notice provided under Subsection (c) must specify:

(1) the tax rate that the governing body proposes to adopt;

(2) the date, time, and location of the meeting of the governing body of the taxing unit at which the governing body will consider adopting the proposed tax rate; and

(3) if the proposed tax rate for the taxing unit exceeds the unit's equivalent [effective] tax rate calculated as provided by Section 26.04, a statement substantially identical to the following: "The proposed tax rate would increase total taxes in (name of taxing unit) by (percentage by which the proposed tax rate exceeds the equivalent [effective] tax rate)."

(f) A taxing unit to which this section applies that elects to provide public notice of its proposed tax rate under Subsection (c)(2) must also provide public notice of its proposed tax rate by posting notice of the proposed tax rate, including the information prescribed by Subsection (e), prominently on the home page of the Internet website of the taxing unit.

SECTION 41. Section 26.06, Tax Code, is amended by amending Subsections (b), (c), (d), and (e) and adding Subsections (b-1), (b-2), (b-3), and (b-4) to read as follows:

(b) The notice of a public hearing may not be smaller than one-quarter page of a standard-size or a tabloid-size newspaper, and the headline on the notice must be in 24-point or larger type. ~~[The notice must contain a statement in the following form:~~

~~["NOTICE OF PUBLIC HEARING ON TAX INCREASE~~

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

~~["The first public hearing will be held on (date and time) at (meeting place).~~

No equivalent provision.

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

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

~~["The average taxable value of a residence homestead in (name of taxing unit) last year was \$\_\_\_\_\_ (average taxable value of a residence homestead in the taxing unit for the preceding tax year, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older). Based on last year's tax rate of \$\_\_\_\_\_ (preceding year's adopted tax rate) per \$100 of taxable value, the amount of taxes imposed last year on the average home was \$\_\_\_\_\_ (tax on average taxable value of a residence homestead in the taxing unit for the preceding tax year, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older).~~

~~["The average taxable value of a residence homestead in (name of taxing unit) this year is \$\_\_\_\_\_ (average taxable value of a residence homestead in the taxing unit for the current tax year, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older). If the governing body adopts the effective tax rate for this year of \$\_\_\_\_\_ (effective tax rate) per \$100 of taxable value, the amount of taxes imposed this year on the average home would be \$\_\_\_\_\_ (tax on average taxable value of a residence homestead in the taxing unit for the current tax year, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older).~~

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

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

~~(b-1) If the proposed tax rate exceeds the~~

equivalent tax rate and the rollback tax rate of the taxing unit, the notice must contain a statement in the following form:

"NOTICE OF PUBLIC HEARING ON TAX INCREASE

"PROPOSED TAX RATES\$ \_\_\_\_\_ per \$100

"EQUIVALENT TAX RATES\$ \_\_\_\_\_ per \$100

"ROLLBACK TAX RATES\$ \_\_\_\_\_ per \$100

"The equivalent tax rate is the tax rate for the (current tax year) tax year that will raise the same amount of property tax revenue for (name of taxing unit) from the same properties in both the (preceding tax year) tax year and the (current tax year) tax year.

"The rollback tax rate is the highest tax rate that (name of taxing unit) may adopt without holding an election to ratify the rate.

"The proposed tax rate is greater than the equivalent tax rate. This means that (name of taxing unit) is proposing to increase property taxes for the (current tax year) tax year.

"A public hearing on the proposed tax rate will be held on (date and time) at (meeting place).

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

"The proposed tax rate is also greater than the rollback tax rate. If (name of taxing unit) adopts the proposed tax rate, (name of taxing unit) is required to hold an election so that the voters may accept or reject the proposed tax rate. If a majority of the voters reject the proposed tax rate, the (name of taxing unit) will be required to adopt a new tax rate that is not greater than the rollback tax rate. The election will be held on (date of election). You may contact the (name of office responsible for administering the election) for information about voting locations. The hours of voting on election day are (voting hours).

"Your taxes owed under any of the tax rates mentioned above can be calculated as follows:

"Property tax amount = tax rate x taxable value of your property / 100

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



(b-2) If the proposed tax rate exceeds the equivalent tax rate but does not exceed the rollback tax rate of the taxing unit, the notice must contain a statement in the following form:

"NOTICE OF PUBLIC HEARING ON TAX INCREASE

"PROPOSED TAX RATE\$ \_\_\_\_\_ per \$100

"EQUIVALENT TAX RATE\$ \_\_\_\_\_ per \$100

"ROLLBACK TAX RATE\$ \_\_\_\_\_ per \$100

"The equivalent tax rate is the tax rate for the (current tax year) tax year that will raise the same amount of property tax revenue for (name of taxing unit) from the same properties in both the (preceding tax year) tax year and the (current tax year) tax year.

"The rollback tax rate is the highest tax rate that (name of taxing unit) may adopt without holding an election to ratify the rate.

"The proposed tax rate is greater than the equivalent tax rate. This means that (name of taxing unit) is proposing to increase property taxes for the (current tax year) tax year.

"A public hearing on the proposed tax rate will be held on (date and time) at (meeting place).

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

"The proposed tax rate is not greater than the rollback tax rate. As a result, (name of taxing unit) is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the (name of governing body) of (name of taxing unit) at their offices or by attending one of the public hearings mentioned above.

"Your taxes owed under any of the tax rates mentioned above can be calculated as follows:

"Property tax amount = tax rate x taxable value of your property / 100

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

(b-3) If the proposed tax rate does not exceed the equivalent tax rate but exceeds the rollback tax rate of the taxing unit, the

notice must contain a statement in the following form:

"NOTICE OF PUBLIC HEARING ON TAX RATE

"PROPOSED TAX RATES\$ \_\_\_\_\_ per \$100

"EQUIVALENT TAX RATES\$ \_\_\_\_\_ per \$100

"ROLLBACK TAX RATES\$ \_\_\_\_\_ per \$100

"The equivalent tax rate is the tax rate for the (current tax year) tax year that will raise the same amount of property tax revenue for (name of taxing unit) from the same properties in both the (preceding tax year) tax year and the (current tax year) tax year.

"The rollback tax rate is the highest tax rate that (name of taxing unit) may adopt without holding an election to ratify the rate.

"The proposed tax rate is not greater than the equivalent tax rate. This means that (name of taxing unit) is not proposing to increase property taxes for the (current tax year) tax year.

"A public hearing on the proposed tax rate will be held on (date and time) at (meeting place).

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

"The proposed tax rate is greater than the rollback tax rate. If (name of taxing unit) adopts the proposed tax rate, (name of taxing unit) is required to hold an election so that the voters may accept or reject the proposed tax rate. If a majority of the voters reject the proposed tax rate, the (name of taxing unit) will be required to adopt a new tax rate that is not greater than the rollback tax rate. The election will be held on (date of election). You may contact the (name of office responsible for administering the election) for information about voting locations. The hours of voting on election day are (voting hours).

"Your taxes owed under any of the tax rates mentioned above can be calculated as follows:

"Property tax amount = tax rate x taxable value of your property / 100

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

(b-4) In addition to including the

information described by Subsection (b-1), (b-2), or (b-3), as applicable, the notice must include the information described by Section 26.062.

(c) The notice of a public hearing under this section may be delivered by mail to each property owner in the unit, or may be published in a newspaper. If the notice is published in a newspaper, it may not be in the part of the paper in which legal notices and classified advertisements appear. If the taxing unit publishes the notice in a newspaper [~~operates an Internet website~~], the taxing unit must also post the notice prominently on the home page of the Internet website of the unit [~~must be posted on the website~~] from the date the notice is first published until the second public hearing is concluded.

(d) At the public hearings the governing body shall announce the date, time, and place of the meeting at which it will vote on the proposed tax rate. After each hearing the governing body shall give notice of the meeting at which it will vote on the proposed tax rate and the notice shall be in the same form as prescribed by 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 equivalent [~~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 increase in total tax revenue for the purpose of (description of purpose of increase)."

(e) The meeting to vote on the tax increase may not be earlier than the third day or later than the seventh [~~14th~~] day after the date of the second public hearing. The meeting must be held inside the boundaries of the taxing unit in a publicly owned building or, if a suitable publicly owned building is not available, in a suitable building to which the public normally has access. If the governing body does not adopt a tax rate that exceeds the lower of the rollback tax rate or the equivalent [~~effective~~] tax rate by the seventh [~~14th~~] day, it must give a new notice under Subsection (d) before it may adopt a rate that exceeds the lower of the rollback tax rate or the equivalent [~~effective~~] tax rate.

SECTION 42. Chapter 26, Tax Code, is amended by adding Sections 26.061 and 26.062 to read as follows:

Sec. 26.061. NOTICE OF MEETING TO VOTE ON PROPOSED TAX RATE THAT DOES NOT EXCEED LOWER OF EQUIVALENT OR ROLLBACK TAX RATE. (a) This section applies only to the governing body of a taxing unit other than a school district that proposes to adopt a tax rate that does not exceed the lower of the equivalent tax rate or the rollback tax rate calculated as provided by this chapter.

(b) The notice of the meeting at which the governing body of the taxing unit will vote on the proposed tax rate must contain a statement in the following form:

"NOTICE OF MEETING TO VOTE ON TAX RATE  
"PROPOSED TAX RATE\$ \_\_\_\_\_ per  
\$100

No equivalent provision.

"EQUIVALENT TAX RATES\$

per \$100

"ROLLBACK TAX RATES\$

per \$100

"The equivalent tax rate is the tax rate for the (current tax year) tax year that will raise the same amount of property tax revenue for (name of taxing unit) from the same properties in both the (preceding tax year) tax year and the (current tax year) tax year.

"The rollback tax rate is the highest tax rate that (name of taxing unit) may adopt without holding an election to ratify the rate.

"The proposed tax rate is not greater than the equivalent tax rate. This means that (name of taxing unit) is not proposing to increase property taxes for the (current tax year) tax year.

"A public meeting to vote on the proposed tax rate will be held on (date and time) at (meeting place).

"The proposed tax rate is also not greater than the rollback tax rate. As a result, (name of taxing unit) is not required to hold an election to ratify the rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the (name of governing body) of (name of taxing unit) at their offices or by attending the public meeting mentioned above.

"Your taxes owed under any of the above rates can be calculated as follows:

"Property tax amount = tax rate x taxable value of your property / 100

"(Names of all members of the governing body, showing how each voted on the proposed tax rate or, if one or more were absent, indicating the absences.)"

(c) In addition to including the information described by Subsection (b), the notice must include the information described by Section 26.062.

Sec. 26.062. ADDITIONAL INFORMATION TO BE INCLUDED IN TAX RATE NOTICE. (a) In addition to the information described by Section 26.06(b-1), (b-2), (b-3), (b-4), (b-5), or (b-6) or 26.061, as applicable, a notice required by that provision must include at the end of the notice:

(1) a statement in the following form:

"The following table compares the taxes imposed on the average residence homestead by (name of taxing unit) last year

to the taxes proposed to be imposed on the average residence homestead by (name of taxing unit) this year:";

(2) a table in the form required by this section following the statement described by Subdivision (1); and

(3) a statement in the following form following the table:

(A) if the tax assessor for the taxing unit maintains an Internet website: "For assistance with tax calculations, please contact the tax assessor for (name of taxing unit) at (telephone number) or (e-mail address), or visit (Internet website address) for more information."; or

(B) if the tax assessor for the taxing unit does not maintain an Internet website: "For assistance with tax calculations, please contact the tax assessor for (name of taxing unit) at (telephone number) or (e-mail address)."

(b) The table must contain five rows and four columns.

(c) The first row must appear as follows:

(1) the first column of the first row must be left blank;

(2) the second column of the first row must state the year corresponding to the preceding tax year;

(3) the third column of the first row must state the year corresponding to the current tax year; and

(4) the fourth column of the first row must be entitled "Change".

(d) The second row must appear as follows:

(1) the first column of the second row must be entitled "Total tax rate (per \$100 of value)";

(2) the second column of the second row must state the adopted tax rate for the preceding tax year;

(3) the third column of the second row must state the proposed tax rate for the current tax year; and

(4) the fourth column of the second row must state the nominal and percentage difference between the adopted tax rate for the preceding tax year and the proposed tax rate for the current tax year as follows: "(increase or decrease, as applicable) of (nominal difference between tax rate stated in second column of second row and tax rate stated in third column of second row) per \$100, or (percentage difference between tax rate stated in second column of second row

and tax rate stated in third column of second row)%".

(e) The third row must appear as follows:

(1) the first column of the third row must be entitled "Average homestead taxable value";

(2) the second column of the third row must state the average taxable value of a residence homestead in the taxing unit for the preceding tax year;

(3) the third column of the third row must state the average taxable value of a residence homestead in the taxing unit for the current tax year; and

(4) the fourth column of the third row must state the percentage difference between the average taxable value of a residence homestead in the taxing unit for the preceding tax year and the average taxable value of a residence homestead in the taxing unit for the current tax year as follows: "(increase or decrease, as applicable) of (percentage difference between amount stated in second column of third row and amount stated in third column of third row)%".

(f) The fourth row must appear as follows:

(1) the first column of the fourth row must be entitled "Tax on average homestead";

(2) the second column of the fourth row must state the amount of taxes imposed by the taxing unit in the preceding tax year on a residence homestead with a taxable value equal to the average taxable value of a residence homestead in the taxing unit in the preceding tax year;

(3) the third column of the fourth row must state the amount of taxes that would be imposed by the taxing unit in the current tax year on a residence homestead with a taxable value equal to the average taxable value of a residence homestead in the taxing unit in the current tax year if the taxing unit adopted the proposed tax rate; and

(4) the fourth column of the fourth row must state the nominal and percentage difference between the amount of taxes imposed by the taxing unit in the preceding tax year on a residence homestead with a taxable value equal to the average taxable value of a residence homestead in the taxing unit in the preceding tax year and the amount of taxes that would be imposed by the taxing unit in the current tax year on a residence homestead with a taxable value equal to the average taxable value of a residence

homestead in the taxing unit in the current tax year if the taxing unit adopted the proposed tax rate, as follows: "(increase or decrease, as applicable) of (nominal difference between amount stated in second column of fourth row and amount stated in third column of fourth row), or (percentage difference between amount stated in second column of fourth row and amount stated in third column of fourth row)%".

(g) The fifth row must appear as follows:

(1) the first column of the fifth row must be entitled "Total tax levy on all properties";

(2) the second column of the fifth row must state the amount equal to last year's levy;

(3) the third column of the fifth row must state the amount computed by multiplying the proposed tax rate by the current total value and dividing the product by 100; and

(4) the fourth column of the fifth row must state the nominal and percentage difference between the total amount of taxes imposed by the taxing unit in the preceding tax year and the amount that would be imposed by the taxing unit in the current tax year if the taxing unit adopted the proposed tax rate, as follows: "(increase or decrease, as applicable) of (nominal difference between amount stated in second column of fifth row and amount stated in third column of fifth row), or (percentage difference between amount stated in second column of fifth row and amount stated in third column of fifth row)%".

(h) In calculating the average taxable value of a residence homestead in the taxing unit for the preceding tax year and the current tax year for purposes of Subsections (e) and (f), any residence homestead exemption available only to disabled persons, persons 65 years of age or older, or their surviving spouses must be disregarded.

SECTION 43. Section 26.065(b), Tax Code, is amended to read as follows:

(b) ~~The [If the] taxing unit [owns, operates, or controls an Internet website, the unit]~~ shall post notice of the public hearing prominently on the home page of the Internet website of the unit continuously for at least seven days immediately before the public hearing on the proposed tax rate increase and at least seven days immediately before the date of the vote proposing the increase in the tax rate.

No equivalent provision.



No equivalent provision.

No equivalent provision.

SECTION 44. The heading to Section 26.08, Tax Code, is amended to read as follows:

Sec. 26.08. ELECTION TO APPROVE TAX RATE OF TAXING UNIT [~~RATIFY SCHOOL TAXES~~].

SECTION 45. Section 26.08, Tax Code, is amended by amending Subsections (a), (b), (d), (d-1), (d-2), (e), (g), (h), (n), and (p) and adding Subsection (r) to read as follows:

(a) If the governing body of a taxing unit [~~school district~~] adopts a tax rate that exceeds the taxing unit's [~~district's~~] rollback tax rate, the registered voters of the taxing unit [~~district~~] at an election held for that purpose must determine whether to approve the adopted tax rate. When increased expenditure of money by a taxing unit [~~school district~~] is necessary to respond to a disaster, including a tornado, hurricane, flood, or other calamity, but not including a drought, that has impacted the taxing unit [~~a school district~~] and the governor has declared any part of [~~requested federal disaster assistance for~~] the area in which the taxing unit [~~school district~~] is located as a disaster area, an election is not required under this section to approve the tax rate adopted by the governing body for the year following the year in which the disaster occurs.

(b) The governing body shall order that the election be held in the taxing unit [~~school district~~] on the uniform election date [~~prescribed by~~] [~~a date not less than 30 or~~

SECTION 5. The heading to Section 26.07, Tax Code, is amended to read as follows:  
Sec. 26.07. ELECTION TO REDUCE TAX RATE OF SMALL TAXING UNIT [~~REPEAL INCREASE~~].

SECTION 6. Section 26.07(a), Tax Code, is amended to read as follows:

(a) If the governing body of a small taxing unit [~~other than a school district~~] adopts a tax rate that exceeds the taxing unit's rollback tax rate calculated as provided by this chapter, the qualified voters of the taxing unit by petition may require that an election be held to determine whether or not to reduce the tax rate adopted for the current year to the rollback tax rate calculated as provided by this chapter.

SECTION 7. The heading to Section 26.08, Tax Code, is amended to read as follows:

Sec. 26.08. ELECTION TO APPROVE TAX RATE OF TAXING UNIT OTHER THAN SMALL TAXING UNIT [~~RATIFY SCHOOL TAXES~~].

SECTION 8. Section 26.08, Tax Code, is amended by amending Subsections (a), (b), (d), (d-1), (d-2), (e), and (h) and adding Subsection (r) to read as follows:

(a) If the governing body of a taxing unit other than a small taxing unit [~~school district~~] adopts a tax rate that exceeds the taxing unit's [~~district's~~] rollback tax rate, the registered voters of the taxing unit [~~district~~] at an election held for that purpose must determine whether to approve the adopted tax rate. When increased expenditure of money by a school district is necessary to respond to a disaster, including a tornado, hurricane, flood, or other calamity, but not including a drought, that has impacted the [~~a~~] school district and the governor has requested federal disaster assistance for the area in which the school district is located, an election is not required under this section to approve the tax rate adopted by the governing body for the year following the year in which the disaster occurs.

(b) The governing body shall order that the election be held in the taxing unit [~~school district~~] on a date not less than 30 or more than 90 days after the day on which it

~~more than 90 days after the day on which it adopted the tax rate.]~~ Section 41.001, Election Code, that occurs in November of the applicable tax year. The order calling the election may not be issued later than August 15 ~~[does not apply to the election unless a date specified by that section falls within the time permitted by this section]~~. At the election, the ballots shall be prepared to permit voting for or against the proposition: "Approving the ad valorem tax rate of \$\_\_\_\_\_ per \$100 valuation in (name of taxing unit ~~[school district]~~) for the current year, a rate that is \$\_\_\_\_\_ higher per \$100 valuation than the ~~[school district]~~ rollback tax rate of (name of taxing unit), for the purpose of (description of purpose of increase)." The ballot proposition must include the adopted tax rate and the difference between that rate and the rollback tax rate in the appropriate places.

(d) If the proposition is not approved as provided by Subsection (c), the governing body may not adopt a tax rate for the taxing unit ~~[school district]~~ for the current year that exceeds the taxing unit's ~~[school district's]~~ rollback tax rate.

(d-1) If, after tax bills for the taxing unit ~~[school district]~~ have been mailed, a proposition to approve the taxing unit's ~~[school district's]~~ adopted tax rate is not approved by the voters of the taxing unit ~~[district]~~ at an election held under this section, on subsequent adoption of a new tax rate by the governing body of the taxing unit ~~[district]~~, the assessor for the taxing unit ~~[school]~~ shall prepare and mail corrected tax bills. The assessor shall include with each bill a brief explanation of the reason for and effect of the corrected bill. The date on which the taxes become delinquent for the year is extended by a number of days equal to the number of days between the date the first tax bills were sent and the date the corrected tax bills were sent.

(d-2) If a property owner pays taxes calculated using the originally adopted tax rate of the taxing unit ~~[school district]~~ and the proposition to approve the adopted tax rate is not approved by the voters, the taxing unit ~~[school district]~~ shall refund the difference between the amount of taxes paid and the amount due under the subsequently adopted rate if the difference between the amount of taxes paid and the amount due

adopted the tax rate. Section 41.001, Election Code, does not apply to the election unless a date specified by that section falls within the time permitted by this section. At the election, the ballots shall be prepared to permit voting for or against the proposition: "Approving the ad valorem tax rate of \$\_\_\_\_\_ per \$100 valuation in (name of taxing unit ~~[school district]~~) for the current year, a rate that is \$\_\_\_\_\_ higher per \$100 valuation than the ~~[school district]~~ rollback tax rate of (name of taxing unit), for the purpose of (description of purpose of increase)." The ballot proposition must include the adopted tax rate and the difference between that rate and the rollback tax rate in the appropriate places.

(d) If the proposition is not approved as provided by Subsection (c), the governing body may not adopt a tax rate for the taxing unit ~~[school district]~~ for the current year that exceeds the taxing unit's ~~[school district's]~~ rollback tax rate.

(d-1) If, after tax bills for the taxing unit ~~[school district]~~ have been mailed, a proposition to approve the taxing unit's ~~[school district's]~~ adopted tax rate is not approved by the voters of the taxing unit ~~[district]~~ at an election held under this section, on subsequent adoption of a new tax rate by the governing body of the taxing unit ~~[district]~~, the assessor for the taxing unit ~~[school]~~ shall prepare and mail corrected tax bills. The assessor shall include with each bill a brief explanation of the reason for and effect of the corrected bill. The date on which the taxes become delinquent for the year is extended by a number of days equal to the number of days between the date the first tax bills were sent and the date the corrected tax bills were sent.

(d-2) If a property owner pays taxes calculated using the originally adopted tax rate of the taxing unit ~~[school district]~~ and the proposition to approve the adopted tax rate is not approved by the voters, the taxing unit ~~[school district]~~ shall refund the difference between the amount of taxes paid and the amount due under the subsequently adopted rate if the difference between the amount of taxes paid and the amount due

under the subsequent rate is \$1 or more. If the difference between the amount of taxes paid and the amount due under the subsequent rate is less than \$1, the taxing unit [~~school—district~~] shall refund the difference on request of the taxpayer. An application for a refund of less than \$1 must be made within 90 days after the date the refund becomes due or the taxpayer forfeits the right to the refund.

(e) For purposes of this section, local tax funds dedicated to a junior college district under Section 45.105(e), Education Code, shall be eliminated from the calculation of the tax rate adopted by the governing body of a the school district. However, the funds dedicated to the junior college district are subject to Section 26.085.

(g) In a school district that received distributions from an equalization tax imposed under former Chapter 18, Education Code, the equivalent tax [~~effective~~] rate of that tax as of the date of the county unit system's abolition is added to the district's rollback tax rate.

(h) For purposes of this section, increases in taxable values and tax levies occurring within a reinvestment zone under Chapter 311 (Tax Increment Financing Act), in which a school [~~the~~] district is a participant, shall be eliminated from the calculation of the tax rate adopted by the governing body of the school district.

(n) For purposes of this section, the rollback tax rate of a school district whose maintenance and operations tax rate for the 2005 tax year was \$1.50 or less per \$100 of taxable value is:

(1) for the 2006 tax year, the sum of the rate that is equal to 88.67 percent of the maintenance and operations tax rate adopted by the district for the 2005 tax year, the rate of \$0.04 per \$100 of taxable value, and the district's current debt rate; and

(2) for the 2007 and subsequent tax years, the lesser of the following:

(A) the sum of the following:

(i) the rate per \$100 of taxable value that is equal to the product of the state compression percentage, as determined under Section 42.2516, Education Code, for the current year and \$1.50;

(ii) the rate of \$0.04 per \$100 of taxable

under the subsequent rate is \$1 or more. If the difference between the amount of taxes paid and the amount due under the subsequent rate is less than \$1, the taxing unit [~~school—district~~] shall refund the difference on request of the taxpayer. An application for a refund of less than \$1 must be made within 90 days after the date the refund becomes due or the taxpayer forfeits the right to the refund.

(e) For purposes of this section, local tax funds dedicated to a junior college district under Section 45.105(e), Education Code, shall be eliminated from the calculation of the tax rate adopted by the governing body of a the school district. However, the funds dedicated to the junior college district are subject to Section 26.085.

No equivalent provision.

(h) For purposes of this section, increases in taxable values and tax levies occurring within a reinvestment zone under Chapter 311 (Tax Increment Financing Act), in which a school [~~the~~] district is a participant, shall be eliminated from the calculation of the tax rate adopted by the governing body of the school district.

No equivalent provision.

value;

(iii) the rate that is equal to the sum of the differences for the 2006 and each subsequent tax year between the adopted tax rate of the district for that year if the rate was approved at an election under this section and the rollback tax rate of the district for that year; and

(iv) the district's current debt rate; or

(B) the sum of the following:

(i) the equivalent ~~[effective]~~ maintenance and operations tax rate of the district as computed under Subsection (i) ~~[or (k), as applicable]~~;

(ii) the rate per \$100 of taxable value that is equal to the product of the state compression percentage, as determined under Section 42.2516, Education Code, for the current year and \$0.06; and

(iii) the district's current debt rate.

(p) Notwithstanding Subsections (i), (n), and (o), if for the preceding tax year a school district adopted a maintenance and operations tax rate that was less than the district's equivalent ~~[effective]~~ maintenance and operations tax rate for that preceding tax year, the rollback tax rate of the district for the current tax year is calculated as if the district adopted a maintenance and operations tax rate for the preceding tax year that was equal to the district's equivalent ~~[effective]~~ maintenance and operations tax rate for that preceding tax year.

(r) Except as otherwise expressly provided by law, this section does not apply to a tax imposed by a taxing unit if a provision of an uncodified local or special law enacted by the 85th Legislature, Regular Session, 2017, or by an earlier legislature provides that former Section 26.07 does not apply to a tax imposed by the taxing unit.

(r) Except as otherwise expressly provided by law, this section does not apply to a tax imposed by a taxing unit if a provision of an uncodified local or special law enacted by the 85th Legislature, Regular Session, 2017, or by an earlier legislature provides that Section 26.07 does not apply to a tax imposed by the taxing unit.

SECTION 46. Section 26.08(i), Tax Code, as effective September 1, 2017, is amended to read as follows:

(i) For purposes of this section, the equivalent ~~[effective]~~ maintenance and operations tax rate of a school district is the tax rate that, applied to the current total value for the district, would impose taxes in an amount that, when added to state funds that would be distributed to the district under Chapter 42, Education Code, for the school year beginning in the current tax year

No equivalent provision.

using that tax rate, would provide the same amount of state funds distributed under Chapter 42, Education Code, and maintenance and operations taxes of the district per student in weighted average daily attendance for that school year that would have been available to the district in the preceding year if the funding elements for Chapters 41 and 42, Education Code, for the current year had been in effect for the preceding year.

SECTION 47. The heading to Section 26.16, Tax Code, is amended to read as follows:

Sec. 26.16. POSTING OF TAX-RELATED INFORMATION ~~[TAX RATES]~~ ON COUNTY'S INTERNET WEBSITE.

SECTION 48. Section 26.16, Tax Code, is amended by amending Subsections (a) and (d) and adding Subsections (a-1), (d-1), and (d-2) to read as follows:

(a) Each county shall maintain an Internet website. The county assessor-collector for each county ~~[that maintains an Internet website]~~ shall post on the Internet website maintained by ~~[of]~~ the county the following information for the most recent five tax years beginning with the 2012 tax year for each taxing unit all or part of the territory of which is located in the county:

- (1) the adopted tax rate;
- (2) the maintenance and operations rate;
- (3) the debt rate;
- (4) the equivalent ~~[effective]~~ tax rate;
- (5) the equivalent ~~[effective]~~ maintenance and operations rate; and
- (6) the rollback tax rate.

(a-1) For purposes of Subsection (a), a reference to the equivalent tax rate or the equivalent maintenance and operations rate includes the equivalent effective tax rate or effective maintenance and operations rate for a preceding year. This subsection expires January 1, 2024.

(d) The county assessor-collector shall post immediately below the table prescribed by Subsection (c) the following statement:

"The county is providing this table of property tax rate information as a service to the residents of the county. Each individual taxing unit is responsible for calculating the property tax rates listed in this table pertaining to that taxing unit and providing

No equivalent provision.

SECTION 9. Section 26.16(d), Tax Code, is amended to read as follows:

(d) The county assessor-collector shall post immediately below the table prescribed by Subsection (c) the following statement:

"The county is providing this table of property tax rate information as a service to the residents of the county. Each individual taxing unit is responsible for calculating the property tax rates listed in this table pertaining to that taxing unit and providing

that information to the county.

"The adopted tax rate is the tax rate adopted by the governing body of a taxing unit.

"The maintenance and operations rate is the component of the adopted tax rate of a taxing unit that will impose the amount of taxes needed to fund maintenance and operation expenditures of the unit for the following year.

"The debt rate is the component of the adopted tax rate of a taxing unit that will impose the amount of taxes needed to fund the unit's debt service for the following year.

"The equivalent ~~[effective]~~ tax rate is the tax rate that would generate the same amount of revenue in the current tax year as was generated by a taxing unit's adopted tax rate in the preceding tax year from property that is taxable in both the current tax year and the preceding tax year.

"The equivalent ~~[effective]~~ maintenance and operations rate is the tax rate that would generate the same amount of revenue for maintenance and operations in the current tax year as was generated by a taxing unit's maintenance and operations rate in the preceding tax year from property that is taxable in both the current tax year and the preceding tax year.

"The rollback tax rate is the highest tax rate a taxing unit may adopt before requiring voter approval at an election. An ~~[In the case of a taxing unit other than a school district, the voters by petition may require that a rollback election be held if the unit adopts a tax rate in excess of the unit's rollback tax rate. In the case of a school district, an]~~ election will automatically be held if a taxing unit ~~[the district]~~ wishes to adopt a tax rate in excess of the unit's ~~[district's]~~ rollback tax rate."

(d-1) In addition to posting the information described by Subsection (a), the county assessor-collector shall post on the Internet website of the county for each taxing unit all or part of the territory of which is located in the county:

(1) the tax rate calculation forms used by the designated officer or employee of each taxing unit to calculate the equivalent and rollback tax rates of the unit for the most recent five tax years beginning with the 2018 tax year, as certified by the designated officer or employee under Section 26.04(d-2); and

that information to the county.

"The adopted tax rate is the tax rate adopted by the governing body of a taxing unit.

"The maintenance and operations rate is the component of the adopted tax rate of a taxing unit that will impose the amount of taxes needed to fund maintenance and operation expenditures of the unit for the following year.

"The debt rate is the component of the adopted tax rate of a taxing unit that will impose the amount of taxes needed to fund the unit's debt service for the following year.

"The effective tax rate is the tax rate that would generate the same amount of revenue in the current tax year as was generated by a taxing unit's adopted tax rate in the preceding tax year from property that is taxable in both the current tax year and the preceding tax year.

"The effective maintenance and operations rate is the tax rate that would generate the same amount of revenue for maintenance and operations in the current tax year as was generated by a taxing unit's maintenance and operations rate in the preceding tax year from property that is taxable in both the current tax year and the preceding tax year.

"The rollback tax rate is the highest tax rate a taxing unit may adopt before requiring voter approval at an election. In the case of a small taxing unit ~~[other than a school district]~~, the voters by petition may require that a rollback election be held if the unit adopts a tax rate in excess of the unit's rollback tax rate. In the case of a taxing unit other than a small taxing unit ~~[school district]~~, an election will automatically be held if the unit ~~[district]~~ wishes to adopt a tax rate in excess of the unit's ~~[district's]~~ rollback tax rate."

(2) the name and official contact information for each member of the governing body of the taxing unit.

(d-2) Not later than August 1, the county assessor-collector shall post on the website the tax rate calculation forms described by Subsection (d-1)(1) for the current tax year.

SECTION 49. Chapter 26, Tax Code, is amended by adding Sections 26.17 and 26.18 to read as follows:

Sec. 26.17. REAL-TIME TAX DATABASE. (a) The tax notice officer of each appraisal district shall create and maintain a database that:

(1) is identified by the name of the office of tax notices, instead of the name of the appraisal district, and as the "Real-Time Tax Database";

(2) contains information that is provided by designated officers or employees of the taxing units that are located in the appraisal district in the manner required by rules adopted by the comptroller;

(3) is continuously updated as preliminary and revised data become available to and are provided by the designated officers or employees of taxing units;

(4) is accessible to the public; and

(5) is searchable by property address and owner.

(b) The database must be capable of generating, with respect to each property listed on the appraisal roll for the appraisal district, a real-time tax notice that includes:

(1) the property's identification number;

(2) the property's market value;

(3) the property's taxable value;

(4) the name of each taxing unit in which the property is located;

(5) for each taxing unit other than a school district in which the property is located:

(A) the equivalent tax rate; and

(B) the rollback tax rate;

(6) for each school district in which the property is located:

(A) the rate to maintain the same amount of state and local revenue per weighted student that the district received in the school year beginning in the preceding tax year; and

(B) the rollback tax rate;

(7) the tax rate proposed by the governing body of each taxing unit in which the property is located;

(8) for each taxing unit other than a school

No equivalent provision.

district in which the property is located, the taxes that would be imposed on the property if the unit adopted a tax rate equal to:

(A) the equivalent tax rate; and

(B) the proposed tax rate;

(9) for each school district in which the property is located, the taxes that would be imposed on the property if the district adopted a tax rate equal to:

(A) the rate to maintain the same amount of state and local revenue per weighted student that the district received in the school year beginning in the preceding tax year; and

(B) the proposed tax rate;

(10) for each taxing unit other than a school district in which the property is located, the difference between the amount calculated under Subdivision (8)(A) and the amount calculated under Subdivision (8)(B);

(11) for each school district in which the property is located, the difference between the amount calculated under Subdivision (9)(A) and the amount calculated under Subdivision (9)(B);

(12) the date, time, and location of each public hearing, if applicable, on the proposed tax rate to be held by the governing body of each taxing unit in which the property is located;

(13) the date, time, and location of the public meeting at which the tax rate will be adopted to be held by the governing body of each taxing unit in which the property is located; and

(14) for each taxing unit in which the property is located, an e-mail address at which the taxing unit is capable of receiving written comments regarding the proposed tax rate of the taxing unit.

(c) The address of the Internet website at which the information contained in the database may be found must be in the form "(insert name of county in which appraisal district is established)CountyTaxRates.gov" or a substantially similar form.

(d) The database must provide a link to the Internet website used by each taxing unit in which the property is located to post the information described by Section 26.18. The link must be preceded by the following statement:

"Click on the name of the taxing unit for the following information about the taxing unit:

"(1) the names of and contact information for each member of the governing body of



the taxing unit;

"(2) the budget proposed or adopted for the current year and the budgets for the preceding two years, as well as an analysis of the change in the budget from year to year;

"(3) the amount of property tax revenue budgeted for maintenance and operation expenses and debt service in the proposed or adopted budget and in the budgets for the preceding two years;

"(4) the tax rates adopted for maintenance and operation expenses and debt service for the preceding two years and the rates proposed for those purposes for the current year; and

"(5) the most recent financial audit of the taxing unit."

(d-1) The database must include the following definition of the equivalent tax rate: "The equivalent tax rate is last year's tax rate, adjusted for changes in taxable value. The equivalent tax rate takes into account all property on the tax roll for both last year and this year."

(e) The officer or employee designated by the governing body of each taxing unit to calculate the equivalent tax rate and the rollback tax rate for the unit must electronically:

(1) enter in the database the information described by Subsection (b) as the information becomes available; and

(2) incorporate into the database the completed tax rate calculation forms prepared under Section 26.04(d-1) at the same time the designated officer or employee submits the tax rates to the governing body of the unit under Section 26.04(e).

(e-1) The e-mail address described by Subsection (b)(14) must be accompanied by the following statement: "An e-mail address is provided for each taxing unit as a way for you to express your support for or opposition to the proposed tax rate. If you wish to express your support or opposition, you are encouraged to do so before the date of the hearing shown on the notice."

(f) Each taxing unit shall establish an e-mail address for the purpose described by Subsection (b)(14).

Sec. 26.18. POSTING OF TAX RATE AND BUDGET INFORMATION BY TAXING UNIT ON WEBSITE. Each

taxing unit shall maintain an Internet website or have access to a generally accessible Internet website that may be used for the purposes of this section. Each taxing unit shall post or cause to be posted on the Internet website the following information in a format prescribed by the comptroller:

(1) the name of each member of the governing body of the taxing unit;

(2) the mailing address, e-mail address, and telephone number of the taxing unit;

(3) the official contact information for each member of the governing body of the taxing unit, if that information is different from the information described by Subdivision (2);

(4) the taxing unit's budget for the preceding two years;

(5) the taxing unit's proposed or adopted budget for the current year;

(6) the change in the amount of the taxing unit's budget from the preceding year to the current year, by dollar amount and percentage;

(7) in the case of a taxing unit other than a school district, the amount of property tax revenue budgeted for maintenance and operations for:

(A) the preceding two years; and

(B) the current year;

(8) in the case of a taxing unit other than a school district, the amount of property tax revenue budgeted for debt service for:

(A) the preceding two years; and

(B) the current year;

(9) the tax rate for maintenance and operations adopted by the taxing unit for the preceding two years;

(10) in the case of a taxing unit other than a school district, the tax rate for debt service adopted by the unit for the preceding two years;

(11) in the case of a school district, the interest and sinking fund tax rate adopted by the district for the preceding two years;

(12) the tax rate for maintenance and operations proposed by the taxing unit for the current year;

(13) in the case of a taxing unit other than a school district, the tax rate for debt service proposed by the unit for the current year;

(14) in the case of a school district, the interest and sinking fund tax rate proposed by the district for the current year; and

(15) the most recent financial audit of the taxing unit.

SECTION 50. Sections 31.12(a) and (b), Tax Code, as amended by S.B. 2242, Acts of the 85th Legislature, Regular Session, 2017, are amended to read as follows:

(a) If a refund of a tax provided by Section 11.431(b), 26.08(d-2) [~~26.07(g)~~], 26.15(f), 31.11, 31.111, or 31.112 is paid on or before the 60th day after the date the liability for the refund arises, no interest is due on the amount refunded. If not paid on or before that 60th day, the amount of the tax to be refunded accrues interest at a rate of one percent for each month or part of a month that the refund is unpaid, beginning with the date on which the liability for the refund arises.

(b) For purposes of this section, liability for a refund arises:

(1) if the refund is required by Section 11.431(b), on the date the chief appraiser notifies the collector for the unit of the approval of the late homestead exemption;

(2) if the refund is required by Section 26.08(d-2) [~~26.07(g)~~], on the date the subsequent tax rate is adopted [~~results of the election to reduce the tax rate are certified~~];

(3) if the refund is required by Section 26.15(f):

(A) for a correction to the tax roll made under Section 26.15(b), on the date the change in the tax roll is certified to the assessor for the taxing unit under Section 25.25; or

(B) for a correction to the tax roll made under Section 26.15(c), on the date the change in the tax roll is ordered by the governing body of the taxing unit;

(4) if the refund is required by Section 31.11, on the date the auditor for the taxing unit determines that the payment was erroneous or excessive or, if the amount of the refund exceeds the applicable amount specified by Section 31.11(a), on the date the governing body of the unit approves the refund;

(5) if the refund is required by Section 31.111, on the date the collector for the taxing unit determines that the payment was erroneous; or

(6) if the refund is required by Section 31.112, on the date required by Section 31.112(d) or (e), as applicable.

No equivalent provision.

No equivalent provision.

SECTION 10. Sections 31.12(a) and (b), Tax Code, as amended by S.B. 2242, Acts

of the 85th Legislature, Regular Session, 2017, are amended to read as follows:

(a) If a refund of a tax provided by Section 11.431(b), 26.07(g), 26.08(d-2), 26.15(f), 31.11, 31.111, or 31.112 is paid on or before the 60th day after the date the liability for the refund arises, no interest is due on the amount refunded. If not paid on or before that 60th day, the amount of the tax to be refunded accrues interest at a rate of one percent for each month or part of a month that the refund is unpaid, beginning with the date on which the liability for the refund arises.

(b) For purposes of this section, liability for a refund arises:

(1) if the refund is required by Section 11.431(b), on the date the chief appraiser notifies the collector for the unit of the approval of the late homestead exemption;

(2) if the refund is required by Section 26.07(g), on the date the results of the election to reduce the tax rate are certified;

(3) if the refund is required by Section 26.08(d-2), on the date the subsequent tax rate is adopted;

(4) if the refund is required by Section 26.15(f):

(A) for a correction to the tax roll made under Section 26.15(b), on the date the change in the tax roll is certified to the assessor for the taxing unit under Section 25.25; or

(B) for a correction to the tax roll made under Section 26.15(c), on the date the change in the tax roll is ordered by the governing body of the taxing unit;

(5) [~~4~~] if the refund is required by Section 31.11, on the date the auditor for the taxing unit determines that the payment was erroneous or excessive or, if the amount of the refund exceeds the applicable amount specified by Section 31.11(a), on the date the governing body of the unit approves the refund;

(6) [~~5~~] if the refund is required by Section 31.111, on the date the collector for the taxing unit determines that the payment was erroneous; or

(7) [~~6~~] if the refund is required by Section 31.112, on the date required by Section 31.112(d) or (e), as applicable.

SECTION 51. Section 33.08(b), Tax Code, is amended to read as follows:

SECTION 11. Section 33.08(b), Tax Code, is amended to read as follows:

(b) The governing body of the taxing unit or appraisal district, in the manner required by law for official action, may provide that taxes that become delinquent on or after June 1 under Section 26.08(d-1) [~~26.07(f)~~], 26.15(e), 31.03, 31.031, 31.032, 31.04, or 42.42 incur an additional penalty to defray costs of collection. The amount of the penalty may not exceed the amount of the compensation specified in the applicable contract with an attorney under Section 6.30 to be paid in connection with the collection of the delinquent taxes.

(b) The governing body of the taxing unit or appraisal district, in the manner required by law for official action, may provide that taxes that become delinquent on or after June 1 under Section 26.07(f), 26.08(d-1), 26.15(e), 31.03, 31.031, 31.032, 31.04, or 42.42 incur an additional penalty to defray costs of collection. The amount of the penalty may not exceed the amount of the compensation specified in the applicable contract with an attorney under Section 6.30 to be paid in connection with the collection of the delinquent taxes.

SECTION 52. Section 41.03(a), Tax Code, is amended to read as follows:

No equivalent provision.

(a) A taxing unit is entitled to challenge before the appraisal review board:

(1) ~~[the level of appraisals of any category of property in the district or in any territory in the district, but not the appraised value of a single taxpayer's property;~~

~~[(2)]~~ an exclusion of property from the appraisal records;

~~(2)~~ ~~[(3)]~~ a grant in whole or in part of a partial exemption;

~~(3)~~ ~~[(4)]~~ a determination that land qualifies for appraisal as provided by Subchapter C, D, E, or H, Chapter 23; or

~~(4)~~ ~~[(5)]~~ failure to identify the taxing unit as one in which a particular property is taxable.

SECTION 53. Section 41.12(a), Tax Code, is amended to read as follows:

No equivalent provision.

(a) By July 5 [~~20~~], the appraisal review board shall:

(1) hear and determine all or substantially all timely filed protests;

(2) determine all timely filed challenges;

(3) submit a list of its approved changes in the records to the chief appraiser; and

(4) approve the records.

SECTION 54. Sections 41.44(a), (c), and (d), Tax Code, are amended to read as follows:

No equivalent provision.

(a) Except as provided by Subsections (b), ~~[(b-1)],~~ (c), (c-1), and (c-2), to be entitled to a hearing and determination of a protest, the property owner initiating the protest must file a written notice of the protest with the appraisal review board having authority to hear the matter protested:

(1) not later than the later of:

~~(A)~~ ~~[before]~~ May 15; [~~1~~] or

~~(B) [not later than] the 30th day after the date that notice to the property owner was delivered to the property owner as provided by Section 25.19[, if the property is a single-family residence that qualifies for an exemption under Section 11.13, whichever is later];~~

~~(2) [before June 1 or not later than the 30th day after the date that notice was delivered to the property owner as provided by Section 25.19 in connection with any other property, whichever is later;~~

~~[(3)] in the case of a protest of a change in the appraisal records ordered as provided by Subchapter A of this chapter or by Chapter 25, not later than the 30th day after the date notice of the change is delivered to the property owner;~~

~~(3) [(4)] in the case of a determination that a change in the use of land appraised under Subchapter C, D, E, or H, Chapter 23, has occurred, not later than the 30th day after the date the notice of the determination is delivered to the property owner; or~~

~~(4) [(5)] in the case of a determination of eligibility for a refund under Section 23.1243, not later than the 30th day after the date the notice of the determination is delivered to the property owner.~~

(c) A property owner who files notice of a protest authorized by Section 41.411 is entitled to a hearing and determination of the protest if the property owner files the notice prior to the date the taxes on the property to which the notice applies become delinquent. An owner of land who files a notice of protest under Subsection ~~(a)(3)~~ (a)(4) is entitled to a hearing and determination of the protest without regard to whether the appraisal records are approved.

(d) A notice of protest is sufficient if it identifies the protesting property owner, including a person claiming an ownership interest in the property even if that person is not listed on the appraisal records as an owner of the property, identifies the property that is the subject of the protest, and indicates apparent dissatisfaction with some determination of the appraisal office. The notice need not be on an official form, but the comptroller shall prescribe a form that provides for more detail about the nature of the protest. The form must permit a property owner to include each property in

the appraisal district that is the subject of a protest. The form must permit a property owner to request that the protest be heard by a special panel established under Section 6.425 if the protest will be determined by an appraisal review board to which that section applies and the property is included in a classification described by Section 6.425(b). The comptroller, each appraisal office, and each appraisal review board shall make the forms readily available and deliver one to a property owner on request.

SECTION 55. Section 41.45, Tax Code, is amended by amending Subsection (d) and adding Subsections (d-1), (d-2), and (d-3) to read as follows:

No equivalent provision.

(d) This subsection does not apply to a special panel established under Section 6.425. An appraisal review board consisting of more than three members may sit in panels of not fewer than three members to conduct protest hearings. ~~[However, the determination of a protest heard by a panel must be made by the board.]~~ If the recommendation of a panel is not accepted by the board, the board may refer the matter for rehearing to a panel composed of members who did not hear the original protest ~~[hearing]~~ or, if there are not at least three members who did not hear the original protest, the board may determine the protest. ~~[Before determining a protest or conducting a rehearing before a new panel or the board, the board shall deliver notice of the hearing or meeting to determine the protest in accordance with the provisions of this subchapter.]~~

(d-1) An appraisal review board to which Section 6.425 applies shall sit in special panels established under that section to conduct protest hearings. A special panel may conduct a protest hearing relating to property only if the property is described by Section 6.425(b) and the property owner has requested that a special panel conduct the hearing or if the protest is assigned to the special panel under Section 6.425(f). If the recommendation of a special panel is not accepted by the board, the board may refer the matter for rehearing to another special panel composed of members who did not hear the original protest or, if there are not at least three other special panel members who did not hear the original protest, the board

may determine the protest.

(d-2) The determination of a protest heard by a panel under Subsection (d) or (d-1) must be made by the board.

(d-3) The board must deliver notice of a hearing or meeting to determine a protest heard by a panel, or to rehear a protest, under Subsection (d) or (d-1) in accordance with the provisions of this subchapter.

SECTION 56. Section 41.46(a), Tax Code, is amended to read as follows:

(a) The appraisal review board before which a protest hearing is scheduled shall deliver written notice to the property owner initiating a protest of the date, time, ~~[and]~~ place, and subject matter of ~~[fixed for]~~ the hearing on the protest and of the property owner's entitlement to a postponement of the hearing as provided by Section 41.45 unless the property owner waives in writing notice of the hearing. The board shall deliver the notice not later than the 15th day before the date of the hearing.

No equivalent provision.

SECTION 57. Section 41.461, Tax Code, is amended to read as follows:

Sec. 41.461. NOTICE OF CERTAIN MATTERS BEFORE HEARING; DELIVERY OF REQUESTED INFORMATION. (a) At least 14 days before the first scheduled ~~[a]~~ hearing on a protest, the chief appraiser shall:

(1) deliver a copy of the pamphlet prepared by the comptroller under Section 5.06 ~~[5.06(a)]~~ to the property owner initiating the protest if the owner is representing himself, or to an agent representing the owner if requested by the agent;

(2) inform the property owner that the owner or the agent of the owner is entitled on request to ~~[may inspect and may obtain]~~ a copy of the data, schedules, formulas, and all other information the chief appraiser will ~~[plans to]~~ introduce at the hearing to establish any matter at issue; and

(3) deliver a copy of the hearing procedures established by the appraisal review board under Section 41.66 to the property owner.

(b) The chief appraiser may not charge a property owner or the designated agent of the owner for copies provided to the ~~[an]~~ owner or designated agent under this section, regardless of the manner in which the copies are prepared or delivered ~~[may]~~

No equivalent provision.



~~not exceed the charge for copies of public information as provided under Subchapter F, Chapter 552, Government Code, except:~~

~~[(1) the total charge for copies provided in connection with a protest of the appraisal of residential property may not exceed \$15 for each residence; and~~

~~[(2) the total charge for copies provided in connection with a protest of the appraisal of a single unit of property subject to appraisal, other than residential property, may not exceed \$25].~~

(c) A chief appraiser shall deliver information requested by a property owner or the agent of the owner under Subsection (a)(2):

(1) by regular first-class mail, deposited in the United States mail, postage prepaid, and addressed to the property owner or agent at the address provided in the request for the information;

(2) in an electronic format as provided by an agreement under Section 1.085; or

(3) subject to Subsection (d), by referring the property owner or the agent of the owner to a secure Internet website with user registration and authentication or to the exact Internet location or uniform resource locator (URL) address on an Internet website maintained by the appraisal district on which the requested information is identifiable and readily available.

(d) If a chief appraiser provides a property owner or the agent of the owner information under Subsection (c)(3), the notice must contain a statement in a conspicuous font that clearly indicates that the property owner or the agent of the owner may on request receive the information by regular first-class mail or in person at the appraisal office. On request by a property owner or the agent of the owner, the chief appraiser must provide the information by regular first-class mail or in person at the appraisal office.

SECTION 58. Section 41.47, Tax Code, is amended by adding Subsections (c-2) and (f) and amending Subsection (e) to read as follows:

(c-2) The board may not determine the appraised value of the property that is the subject of a protest to be an amount greater than the appraised value of the property as shown in the appraisal records submitted to the board by the chief appraiser under

No equivalent provision.

Section 25.22 or 25.23.

(e) The notice of the issuance of the order must contain a prominently printed statement in upper-case bold lettering informing the property owner in clear and concise language of the property owner's right to appeal the order of the board [~~board's decision~~] to district court. The statement must describe the deadline prescribed by Section 42.06(a) [~~of this code~~] for filing a written notice of appeal[;] and the deadline prescribed by Section 42.21(a) [~~of this code~~] for filing the petition for review with the district court.

(f) The appraisal review board shall take the actions required by Subsections (a) and (d) not later than the 15th day after the date the hearing on the protest is concluded.

SECTION 59. Section 41.66, Tax Code, is amended by amending Subsections (h), (i), and (j) and adding Subsections (j-1) and (p) to read as follows:

No equivalent provision.

(h) The appraisal review board shall postpone a hearing on a protest if the property owner or the designated agent of the owner requests additional time to prepare for the hearing and establishes to the board that the chief appraiser failed to comply with Section 41.461. The board is not required to postpone a hearing more than one time under this subsection.

(i) A hearing on a protest filed by a property owner or the designated agent of the owner [~~who is not represented by an agent designated under Section 1.111~~] shall be set for a time and date certain. If the hearing is not commenced within two hours of the time set for the hearing, the appraisal review board shall postpone the hearing on the request of the property owner or the designated agent of the owner.

(j) On the request of a property owner or the [~~a~~] designated agent of the owner, an appraisal review board shall schedule hearings on protests concerning up to 20 designated properties to be held consecutively on the same day. The designated properties must be identified in the same notice of protest, and the notice must contain in boldfaced type the statement "request for same-day protest hearings." A property owner or the designated agent of the owner may [~~not~~] file more than one request under this subsection with the

appraisal review board in the same tax year. The appraisal review board may schedule hearings on protests concerning more than 20 properties filed by the same property owner or the designated agent of the owner and may use different panels to conduct the hearings based on the board's customary scheduling. The appraisal review board may follow the practices customarily used by the board in the scheduling of hearings under this subsection.

(j-1) An appraisal review board may schedule the hearings on all protests filed by a property owner or the designated agent of the owner to be held consecutively. The notice of the hearings must state the date and time that the first hearing will begin, state the date the last hearing will end, and list the order in which the hearings will be held. The order of the hearings listed in the notice may not be changed without the agreement of the property owner or the designated agent of the owner, the chief appraiser, and the appraisal review board. The board may not reschedule a hearing for which notice is given under this subsection to a date earlier than the seventh day after the date the last hearing was scheduled to end unless agreed to by the property owner or the designated agent of the owner, the chief appraiser, and the appraisal review board. Unless agreed to by the parties, the board must provide written notice of the date and time of the rescheduled hearing to the property owner or the designated agent of the owner not later than the seventh day before the date of the hearing.

(p) At the end of a hearing on a protest, the appraisal review board shall provide the property owner or the designated agent of the owner one or more documents indicating that the members of the board hearing the protest signed the affidavit required by Subsection (g).

SECTION 60. Section 41.66, Tax Code, is amended by amending Subsection (k) and adding Subsection (k-1) to read as follows:

(k) This subsection does not apply to a special panel established under Section 6.425. If an appraisal review board sits in panels to conduct protest hearings, protests shall be randomly assigned to panels, except that the board may consider the type of property subject to the protest or the ground

No equivalent provision.

of the protest for the purpose of using the expertise of a particular panel in hearing protests regarding particular types of property or based on particular grounds. If a protest is scheduled to be heard by a particular panel, the protest may not be reassigned to another panel without the consent of the property owner or designated agent. If the appraisal review board has cause to reassign a protest to another panel, a property owner or designated agent may agree to reassignment of the protest or may request that the hearing on the protest be postponed. The board shall postpone the hearing on that request. A change of members of a panel because of a conflict of interest, illness, or inability to continue participating in hearings for the remainder of the day does not constitute reassignment of a protest to another panel.

(k-1) On the request of a property owner, an appraisal review board to which Section 6.425 applies shall assign a protest relating to property described by Section 6.425(b) to a special panel. In addition, the chairman of the appraisal review board may assign a protest relating to property not described by Section 6.425(b) to a special panel as authorized by Section 6.425(f). Protests assigned to special panels shall be randomly assigned to those panels. If a protest is scheduled to be heard by a particular special panel, the protest may not be reassigned to another special panel without the consent of the property owner or designated agent. If the board has cause to reassign a protest to another special panel, a property owner or designated agent may agree to reassignment of the protest or may request that the hearing on the protest be postponed. The board shall postpone the hearing on that request. A change of members of a special panel because of a conflict of interest, illness, or inability to continue participating in hearings for the remainder of the day does not constitute reassignment of a protest to another special panel.

SECTION 61. Section 41.67(d), Tax Code, is amended to read as follows:

(d) Information that was previously requested under Section 41.461 by the protesting party that was not delivered [~~made available~~] to the protesting party at least 14 days before the scheduled or

No equivalent provision.

postponed hearing may not be used or offered in any form as evidence in the hearing, including as a document or through argument or testimony.

SECTION 62. Section 41.71, Tax Code, is amended to read as follows:

Sec. 41.71. EVENING AND WEEKEND HEARINGS. (a) An appraisal review board by rule shall provide for hearings on protests ~~[in the evening or]~~ on a Saturday or after 5 p.m. on a weekday [Sunday].

(b) The board may not schedule:

(1) the first hearing on a protest held on a weekday evening to begin after 7 p.m.; or

(2) a hearing on a protest on a Sunday.

No equivalent provision.

SECTION 63. Section 41A.06(b), Tax Code, as effective September 1, 2017, is amended to read as follows:

(b) To initially qualify to serve as an arbitrator under this chapter, a person must:

(1) meet the following requirements, as applicable:

(A) be licensed as an attorney in this state; or

(B) have:

(i) completed at least 30 hours of training in arbitration and alternative dispute resolution procedures from a university, college, or legal or real estate trade association; and

(ii) been licensed or certified continuously during the five years preceding the date the person agrees to serve as an arbitrator as:

(a) a real estate broker or sales agent under Chapter 1101, Occupations Code;

(b) a real estate appraiser under Chapter 1103, Occupations Code; or

(c) a certified public accountant under Chapter 901, Occupations Code; ~~and~~

(2) complete the course for training and education of appraisal review board members established under Section 5.041 and be issued a certificate indicating course completion;

(3) complete the training program on property tax law for the training and education of arbitrators established under Section 5.043; and

(4) agree to conduct an arbitration for a fee that is not more than:

(A) \$400, if the property qualifies as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is \$500,000 or

No equivalent provision.

less, as determined by the order;

(B) \$450, if the property qualifies as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$500,000, as determined by the order;

(C) \$450, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is \$1 million or less, as determined by the order;

(D) \$750, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$1 million but not more than \$2 million, as determined by the order;

(E) \$1,000, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$2 million but not more than \$3 million, as determined by the order; or

(F) \$1,500, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$3 million but not more than \$5 million, as determined by the order.

SECTION 64. Section 41A.061(b), Tax Code, is amended to read as follows:

(b) To renew the person's agreement to serve as an arbitrator, the person must:

- (1) file a renewal application with the comptroller at the time and in the manner prescribed by the comptroller;
- (2) continue to meet the requirements provided by Sections 41A.06(b)(1) and (4) [~~Section 41A.06(b)~~]; and
- (3) during the preceding two years have completed at least eight hours of continuing education in arbitration and alternative dispute resolution procedures offered by a university, college, real estate trade association, or legal association.

No equivalent provision.

SECTION 65. Sections 41A.07(e), (f), and (g), Tax Code, as effective September 1, 2017, are amended to read as follows:

(e) To be eligible for appointment as an arbitrator under this section [~~Subsection (a)~~], the arbitrator must reside[= ~~(1) in the county in which the property that is the subject of the appeal is located; or~~

No equivalent provision.

~~[(2)] in this state [if no available arbitrator on the registry resides in that county].~~

(f) A person is not eligible for appointment as an arbitrator under this section ~~[Subsection (a)]~~ if at any time during the preceding five years, the person has:

(1) represented a person for compensation in a proceeding under this title in the appraisal district in which the property that is the subject of the appeal is located;

(2) served as an officer or employee of that appraisal district; or

(3) served as a member of the appraisal review board for that appraisal district.

(g) The comptroller may not appoint an arbitrator under this section ~~[Subsection (a)]~~ if the comptroller determines that there is good cause not to appoint the arbitrator, including information or evidence indicating repeated bias or misconduct by the person while acting as an arbitrator.

SECTION 66. Section 41A.07, Tax Code, is amended by adding Subsection (h) to read as follows:

(h) A property owner may request that, in appointing an initial arbitrator under this section, the comptroller appoint an arbitrator who resides in the county in which the property that is the subject of the appeal is located or an arbitrator who resides outside that county. In appointing an initial arbitrator under Subsection (a), the comptroller shall comply with the request of the property owner unless the property owner requests that the comptroller appoint an arbitrator who resides in the county in which the property that is the subject of the appeal is located and there is not an available arbitrator who resides in that county. In appointing a substitute arbitrator under Subsection (d), the comptroller shall consider but is not required to comply with the request of the property owner. This subsection does not authorize a property owner to request the appointment of a specific individual as an arbitrator.

No equivalent provision.

SECTION 67. Section 41A.09(b), Tax Code, is amended to read as follows:

(b) An award under this section:

(1) must include a determination of the appraised or market value, as applicable, of the property that is the subject of the appeal;

(2) may include any remedy or relief a court

No equivalent provision.

may order under Chapter 42 in an appeal relating to the appraised or market value of property;

(3) shall specify the arbitrator's fee, which may not exceed the amount provided by Section 41A.06(b)(4) [~~41A.06(b)(2)~~];

(4) is final and may not be appealed except as permitted under Section 171.088, Civil Practice and Remedies Code, for an award subject to that section; and

(5) may be enforced in the manner provided by Subchapter D, Chapter 171, Civil Practice and Remedies Code.

SECTION 68. Section 45.105(e), Education Code, is amended to read as follows:

(e) The governing body of an independent school district that governs a junior college district under Subchapter B, Chapter 130, in a county with a population of more than two million may dedicate a specific percentage of the local tax levy to the use of the junior college district for facilities and equipment or for the maintenance and operating expenses of the junior college district. To be effective, the dedication must be made by the governing body on or before the date on which the governing body adopts its tax rate for a year. The amount of local tax funds derived from the percentage of the local tax levy dedicated to a junior college district from a tax levy may not exceed the amount that would be levied by five percent of the equivalent [~~effective~~] tax rate for the tax year calculated as provided by Section 26.04, Tax Code, on all property taxable by the school district. All real property purchased with these funds is the property of the school district, but is subject to the exclusive control of the governing body of the junior college district for as long as the junior college district uses the property for educational purposes.

SECTION 69. Section 130.016(b), Education Code, is amended to read as follows:

(b) If the board of trustees of an independent school district that divests itself of the management, control, and operation of a junior college district under this section or under Section 130.017 [~~of this code~~] was authorized by [~~Subsection (e) of~~] Section 45.105(e) or under former Section 20.48(e) [~~20.48 of this code~~] to dedicate a portion of

No equivalent provision.

SECTION 12. Section 130.016(b), Education Code, is amended to read as follows:

(b) If the board of trustees of an independent school district that divests itself of the management, control, and operation of a junior college district under this section or under Section 130.017 [~~of this code~~] was authorized by [~~Subsection (e) of~~] Section 45.105(e) or under former Section 20.48(e) [~~20.48 of this code~~] to dedicate a portion of



its tax levy to the junior college district before the divestment, the junior college district may levy an ad valorem tax from and after the divestment. In the first two years in which the junior college district levies an ad valorem tax, the tax rate adopted by the governing body may not exceed the rate that, if applied to the total taxable value submitted to the governing body under Section 26.04, Tax Code, would impose an amount equal to the amount of taxes of the school district dedicated to the junior college under [~~Subsection (e) of~~] Section 45.105(e) or former Section 20.48(e) [~~20.48 of this code~~] in the last dedication before the divestment. In subsequent years, the tax rate of the junior college district is subject to Section 26.08 [~~26.07~~], Tax Code.

SECTION 70. Section 403.302(o), Government Code, is amended to read as follows:

(o) The comptroller shall adopt rules governing the conduct of the study after consultation with the comptroller's property tax administration advisory board [~~Comptroller's Property Value Study Advisory Committee~~].

SECTION 71. Sections 281.124(d) and (e), Health and Safety Code, are amended to read as follows:

(d) If a majority of the votes cast in the election favor the proposition, the tax rate for the specified tax year is the rate approved by the voters, and that rate is not subject to [~~a rollback election under~~] Section 26.08 [~~26.07~~], Tax Code. The board shall adopt the tax rate as provided by Chapter 26, Tax Code.

(e) If the proposition is not approved as provided by Subsection (c), the board may not adopt a tax rate for the district for the specified tax year that exceeds the rate that was not approved, and Section 26.08 [~~26.07~~], Tax Code, applies to the adopted rate if that rate exceeds the district's rollback tax rate.

SECTION 72. Section 102.007(d), Local Government Code, is amended to read as follows:

(d) An adopted budget must contain a cover page that includes:

its tax levy to the junior college district before the divestment, the junior college district may levy an ad valorem tax from and after the divestment. In the first two years in which the junior college district levies an ad valorem tax, the tax rate adopted by the governing body may not exceed the rate that, if applied to the total taxable value submitted to the governing body under Section 26.04, Tax Code, would impose an amount equal to the amount of taxes of the school district dedicated to the junior college under [~~Subsection (e) of~~] Section 45.105(e) or former Section 20.48(e) [~~20.48 of this code~~] in the last dedication before the divestment. In subsequent years, the tax rate of the junior college district is subject to Section 26.07 or 26.08, Tax Code, as applicable.

No equivalent provision.

SECTION 13. Sections 281.124(d) and (e), Health and Safety Code, are amended to read as follows:

(d) If a majority of the votes cast in the election favor the proposition, the tax rate for the specified tax year is the rate approved by the voters, and that rate is not subject to a rollback election under Section 26.07 or 26.08, Tax Code. The board shall adopt the tax rate as provided by Chapter 26, Tax Code, as applicable.

(e) If the proposition is not approved as provided by Subsection (c), the board may not adopt a tax rate for the district for the specified tax year that exceeds the rate that was not approved, and Section 26.07 or 26.08, Tax Code, as applicable, applies to the adopted rate if that rate exceeds the district's rollback tax rate.

No equivalent provision.

(1) one of the following statements in 18-point or larger type that accurately describes the adopted budget:

(A) "This budget will raise more revenue from property taxes than last year's budget by an amount of (insert total dollar amount of increase), which is a (insert percentage increase) percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(B) "This budget will raise less revenue from property taxes than last year's budget by an amount of (insert total dollar amount of decrease), which is a (insert percentage decrease) percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll)."; or

(C) "This budget will raise the same amount of revenue from property taxes as last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(2) the record vote of each member of the governing body by name voting on the adoption of the budget;

(3) the municipal property tax rates for the preceding fiscal year, and each municipal property tax rate that has been adopted or calculated for the current fiscal year, including:

(A) the property tax rate;

(B) the equivalent ~~[effective]~~ tax rate;

(C) the equivalent ~~[effective]~~ maintenance and operations tax rate;

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of municipal debt obligations.

SECTION 73. Section 111.008(d), Local Government Code, is amended to read as follows:

(d) An adopted budget must contain a cover page that includes:

(1) one of the following statements in 18-point or larger type that accurately describes the adopted budget:

No equivalent provision.

(A) "This budget will raise more revenue from property taxes than last year's budget by an amount of (insert total dollar amount of increase), which is a (insert percentage increase) percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(B) "This budget will raise less revenue from property taxes than last year's budget by an amount of (insert total dollar amount of decrease), which is a (insert percentage decrease) percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll)."; or

(C) "This budget will raise the same amount of revenue from property taxes as last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(2) the record vote of each member of the commissioners court by name voting on the adoption of the budget;

(3) the county property tax rates for the preceding fiscal year, and each county property tax rate that has been adopted or calculated for the current fiscal year, including:

(A) the property tax rate;

(B) the equivalent [~~effective~~] tax rate;

(C) the equivalent [~~effective~~] maintenance and operations tax rate;

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of county debt obligations.

SECTION 74. Section 111.039(d), Local Government Code, is amended to read as follows:

(d) An adopted budget must contain a cover page that includes:

(1) one of the following statements in 18-point or larger type that accurately describes the adopted budget:

(A) "This budget will raise more revenue from property taxes than last year's budget by an amount of (insert total dollar amount

No equivalent provision.

of increase), which is a (insert percentage increase) percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(B) "This budget will raise less revenue from property taxes than last year's budget by an amount of (insert total dollar amount of decrease), which is a (insert percentage decrease) percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll)."; or

(C) "This budget will raise the same amount of revenue from property taxes as last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(2) the record vote of each member of the commissioners court by name voting on the adoption of the budget;

(3) the county property tax rates for the preceding fiscal year, and each county property tax rate that has been adopted or calculated for the current fiscal year, including:

(A) the property tax rate;

(B) the equivalent ~~[effective]~~ tax rate;

(C) the equivalent ~~[effective]~~ maintenance and operations tax rate;

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of county debt obligations.

SECTION 75. Section 111.068(c), Local Government Code, is amended to read as follows:

(c) An adopted budget must contain a cover page that includes:

(1) one of the following statements in 18-point or larger type that accurately describes the adopted budget:

(A) "This budget will raise more revenue from property taxes than last year's budget by an amount of (insert total dollar amount of increase), which is a (insert percentage increase) percent increase from last year's budget. The property tax revenue to be

No equivalent provision.

raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(B) "This budget will raise less revenue from property taxes than last year's budget by an amount of (insert total dollar amount of decrease), which is a (insert percentage decrease) percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll)."; or

(C) "This budget will raise the same amount of revenue from property taxes as last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

(2) the record vote of each member of the commissioners court by name voting on the adoption of the budget;

(3) the county property tax rates for the preceding fiscal year, and each county property tax rate that has been adopted or calculated for the current fiscal year, including:

(A) the property tax rate;

(B) the equivalent [~~effective~~] tax rate;

(C) the equivalent [~~effective~~] maintenance and operations tax rate;

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of county debt obligations.

SECTION 76. Section 1101.254(f), Special District Local Laws Code, is amended to read as follows:

(f) This section does not affect the applicability of [~~any rights district voters may have to petition for an election under~~] Section 26.08 [~~26.07~~], Tax Code, to the district's tax rate, except that if district voters approve a tax rate increase under this section, [~~the voters may not petition for an election under~~] Section 26.08 [~~26.07~~], Tax Code, does not apply [~~as~~] to the tax rate for that year.

No equivalent provision.

No equivalent provision.

SECTION 14. Section 140.010, Local Government Code, is amended by amending Subsections (a), (e), (f), and (g) and adding

Subsection (e-1) to read as follows:

(a) In this section:

(1) "Effective~~[-"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.

(2) "Small taxing unit" has the meaning assigned by Section 26.012, Tax Code.

(e) A county or municipality that is a small taxing unit and that proposes a property tax rate that exceeds the lower of the effective tax rate or the rollback tax rate shall provide 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 for adoption by the governing body of (insert name of county or municipality). This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate. The governing body of (insert name of county or municipality) proposes to use revenue attributable to the tax rate increase for the purpose of (description of purpose of increase).

PROPOSED TAX RATES\$\_\_\_\_\_ per \$100  
PRECEDING YEAR'S TAX RATES\$\_\_\_\_\_ per \$100

EFFECTIVE TAX RATES\$\_\_\_\_\_ per \$100  
ROLLBACK TAX RATES\$\_\_\_\_\_ 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.

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

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

property tax amount = (rate) x (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)

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

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

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

(e-1) A county or municipality that is not a  
small taxing unit and that proposes a  
property tax rate that exceeds the lower of  
the effective tax rate or the rollback tax rate  
shall provide 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 for adoption by the  
governing body of (insert name of county or  
municipality). This rate exceeds the lower of  
the effective or rollback tax rate, and state  
law requires that two public hearings be  
held by the governing body before adopting  
the proposed tax rate. The governing body  
of (insert name of county or municipality)  
proposes to use revenue attributable to the  
tax rate increase for the purpose of  
(description of purpose of increase).

PROPOSED TAX RATES\$ \_\_\_\_\_ per \$100  
PRECEDING YEAR'S TAX  
RATES\$ \_\_\_\_\_ per \$100

EFFECTIVE TAX RATES\$ \_\_\_\_\_ per \$100  
ROLLBACK TAX RATES\$ \_\_\_\_\_ 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.

"The rollback tax rate is the highest tax rate  
that (insert name of county or municipality)  
may adopt before the (insert "county" or  
"city") is required to hold an election to  
limit the rate that may be approved to the  
rollback tax rate.

"YOUR TAXES OWED UNDER ANY OF

THE ABOVE RATES CAN BE CALCULATED AS FOLLOWS:

property tax amount = (rate) x (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)

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

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

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

(f) A county or municipality shall:

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

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

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

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

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

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

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

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

(g) If the notice required by Subsection (d), ~~[(e)]~~ (e), or (e-1) is published in a newspaper:

(1) the notice may not be smaller than one-quarter page of a standard-size or a tabloid-



size newspaper; and  
(2) the headline on the notice must be in 24-point or larger type.

No equivalent provision.

SECTION 15. Section 1122.2522, Special District Local Laws Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) If in any year the board adopts a tax rate that exceeds the rollback tax rate calculated as provided by Chapter 26, Tax Code, and the district is a small taxing unit as defined by Section 26.012 of that code, the qualified voters of the district by petition may require that an election be held to determine whether or not to reduce the tax rate adopted by the board for that year to the rollback tax rate.

(a-1) If in any year the board adopts a tax rate that exceeds the rollback tax rate calculated as provided by Chapter 26, Tax Code, and the district is not a small taxing unit as defined by Section 26.012 of that code, an election must be held to determine whether or not to approve the tax rate adopted by the board for that year.

SECTION 77. Sections 1122.2522, 3828.157, and 8876.152, Special District Local Laws Code, are amended to read as follows:

Sec. 1122.2522. ROLLBACK TAX RATE PROVISIONS APPLICABLE. ~~[(a)]~~ If in any year the board adopts a tax rate that exceeds the rollback tax rate calculated as provided by Chapter 26, Tax Code, ~~[the qualified voters of the district by petition may require that]~~ an election under Section 26.08 of that code must be held to determine whether or not to approve ~~[reduce]~~ the tax rate adopted by the board for that year ~~[to the rollback tax rate].~~

~~[(b) To the extent a conflict exists between this section and a provision of the Tax Code, the provision of the Tax Code prevails.]~~

Sec. 3828.157. INAPPLICABILITY OF CERTAIN TAX CODE PROVISIONS. Sections 26.04, 26.05, and 26.08 ~~[26.07]~~, Tax Code, do not apply to a tax imposed under Section 3828.153 or 3828.156.

Sec. 8876.152. APPLICABILITY OF CERTAIN TAX PROVISIONS. (a) Sections 26.04, 26.05, 26.06, 26.061, and 26.08 ~~[26.07]~~, Tax Code, do not apply to a

SECTION 16. Sections 3828.157 and 8876.152, Special District Local Laws Code, are amended to read as follows:

Sec. 3828.157. INAPPLICABILITY OF CERTAIN TAX CODE PROVISIONS. Sections 26.04, 26.05, ~~[and] 26.07~~, and 26.08, Tax Code, do not apply to a tax imposed under Section 3828.153 or 3828.156.

Sec. 8876.152. APPLICABILITY OF CERTAIN TAX PROVISIONS. (a) Sections 26.04, 26.05, 26.06, ~~[and] 26.07~~, and 26.08, Tax Code, do not apply to a tax

tax imposed by the district.

(b) Sections 49.236(a)(1) and (2) and (b) [~~Section 49.236~~], Water Code, apply [as added by Chapter 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session, 2003, applies] to the district.

SECTION 78. Section 49.107(g), Water Code, is amended to read as follows:

(g) Sections 26.04, 26.05, 26.061, and 26.08 [~~26.07~~], Tax Code, do not apply to a tax levied and collected under this section or an ad valorem tax levied and collected for the payment of the interest on and principal of bonds issued by a district.

SECTION 79. Section 49.108(f), Water Code, is amended to read as follows:

(f) Sections 26.04, 26.05, 26.061, and 26.08 [~~26.07~~], Tax Code, do not apply to a tax levied and collected for payments made under a contract approved in accordance with this section.

SECTION 80. Sections 49.236(a) and (d), Water Code, as added by Chapter 335 (S.B. 392), Acts of the 78th Legislature, Regular Session, 2003, are amended to read as follows:

(a) Before the board adopts an ad valorem tax rate for the district for debt service, operation and maintenance purposes, or contract purposes, the board shall give notice of each meeting of the board at which the adoption of a tax rate will be considered. The notice must:

(1) contain a statement in substantially the following form:

"NOTICE OF PUBLIC HEARING ON TAX RATE

"The (name of the district) will hold a public hearing on a proposed tax rate for the tax year (year of tax levy) on (date and time) at (meeting place). Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the tax rate that is adopted and on the change in the taxable value of your property in relation to the change in taxable value of all other property [~~and the tax rate that is adopted~~]. The change in the taxable value of your property in relation to the change in the taxable value

imposed by the district.

(b) Sections 49.236(a)(1) and (2) and (b) [~~Section 49.236~~], Water Code, apply [as added by Chapter 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session, 2003, applies] to the district.

SECTION 17. Section 49.107(g), Water Code, is amended to read as follows:

(g) Sections 26.04, 26.05, and 26.07, and 26.08, Tax Code, do not apply to a tax levied and collected under this section or an ad valorem tax levied and collected for the payment of the interest on and principal of bonds issued by a district.

SECTION 18. Section 49.108(f), Water Code, is amended to read as follows:

(f) Sections 26.04, 26.05, and 26.07, and 26.08, Tax Code, do not apply to a tax levied and collected for payments made under a contract approved in accordance with this section.

SECTION 19. Section 49.236, Water Code, as added by Chapter 335 (S.B. 392), Acts of the 78th Legislature, Regular Session, 2003, is amended by amending Subsections (a) and (d) and adding Subsections (e), (f), (g), (h), (i), (j), (k), (l), and (m) to read as follows:

(a) Before the board adopts an ad valorem tax rate for the district for debt service, operation and maintenance purposes, or contract purposes, the board shall give notice of each meeting of the board at which the adoption of a tax rate will be considered. The notice must:

(1) contain a statement in substantially the following form:

"NOTICE OF PUBLIC HEARING ON TAX RATE

"The (name of the district) will hold a public hearing on a proposed tax rate for the tax year (year of tax levy) on (date and time) at (meeting place). Your individual taxes may increase or decrease, depending on the change in the taxable value of your property in relation to the change in taxable value of all other property and the tax rate that is adopted.

"(Names of all board members and, if a vote was taken, an indication of how each voted on the proposed tax rate and an indication of

of all other property determines the distribution of the tax burden among all property owners.

"(Names of all board members and, if a vote was taken, an indication of how each voted on the proposed tax rate and an indication of any absences.)";

(2) contain the following information:

(A) the district's total adopted tax rate for the preceding year and the proposed tax rate, expressed as an amount per \$100;

(B) the difference, expressed as an amount per \$100 and as a percent increase or decrease, as applicable, in the proposed tax rate compared to the adopted tax rate for the preceding year;

(C) the average appraised value of a residence homestead in the district in the preceding year and in the current year; the district's total homestead exemption, other than an exemption available only to disabled persons or persons 65 years of age or older, applicable to that appraised value in each of those years; and the average taxable value of a residence homestead in the district in each of those years, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older;

(D) the amount of tax that would have been imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older;

(E) the amount of tax that would be imposed by the district in the current year on a residence homestead appraised at the average appraised value of a residence homestead in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older, if the proposed tax rate is adopted; [and]

(F) the difference between the amounts of tax calculated under Paragraphs (D) and (E), expressed in dollars and cents and described as the annual percentage increase or decrease, as applicable, in the tax to be imposed by the district on the average residence homestead in the district in the current year if the proposed tax rate is adopted; and

(G) if the proposed combined debt service,

any absences.)";

(2) contain the following information:

(A) the district's total adopted tax rate for the preceding year and the proposed tax rate, expressed as an amount per \$100;

(B) the difference, expressed as an amount per \$100 and as a percent increase or decrease, as applicable, in the proposed tax rate compared to the adopted tax rate for the preceding year;

(C) the average appraised value of a residence homestead in the district in the preceding year and in the current year; the district's total homestead exemption, other than an exemption available only to disabled persons or persons 65 years of age or older, applicable to that appraised value in each of those years; and the average taxable value of a residence homestead in the district in each of those years, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older;

(D) the amount of tax that would have been imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older;

(E) the amount of tax that would be imposed by the district in the current year on a residence homestead appraised at the average appraised value of a residence homestead in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older, if the proposed tax rate is adopted; [and]

(F) the difference between the amounts of tax calculated under Paragraphs (D) and (E), expressed in dollars and cents and described as the annual percentage increase or decrease, as applicable, in the tax to be imposed by the district on the average residence homestead in the district in the current year if the proposed tax rate is adopted; and

(G) if the proposed combined debt service,

operation and maintenance, and contract tax rate exceeds the rollback tax rate, a description of the purpose of the proposed tax increase; and

(3) contain a statement in substantially the following form:

"NOTICE OF VOTE ON TAX RATE [TAXPAYERS' RIGHT TO ROLLBACK ELECTION]

"If operation and maintenance taxes on the average residence homestead increase by more than eight percent, ~~[the qualified voters of the district by petition may require that]~~ an election must be held to determine whether to ratify [reduce] the operation and maintenance tax rate ~~[to the rollback tax rate]~~ under Section 49.236(d), Water Code."

(d) If the governing body of a district adopts a combined debt service, operation and maintenance, and contract tax rate that exceeds the rollback tax rate, [would impose more than 1.08 times the amount of tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older, the qualified voters of the district by petition may require that] an election must be held to determine whether ~~[or not]~~ to ratify [reduce] the tax rate adopted for the current year ~~[to the rollback tax rate]~~ in accordance with the procedures provided by Sections 26.08(b)-(d) [26.07(b)-(g) and 26.081], Tax Code. For purposes of Sections 26.08(b)-(d) [26.07(b)-(g)] and this section [subsection], the rollback tax rate is the sum of the following tax rates:

- (1) the current year's debt service tax rate;
- (2) the current year's [and] contract tax rate;
- and
- (3) ~~[rates plus]~~ the operation and maintenance tax rate that would impose 1.08 times the amount of the operation and

operation and maintenance, and contract tax rate authorizes or requires an election in the district to approve the tax rate, a description of the purpose of the proposed tax increase; and

(3) contain a statement in substantially the following form, as applicable:

(A) if the district is a small taxing unit:  
"NOTICE OF TAXPAYERS' RIGHT TO ROLLBACK ELECTION

"If taxes on the average residence homestead increase by more than eight percent, the qualified voters of the district by petition may require that an election be held to determine whether to approve [reduce] the ~~[operation and maintenance]~~ tax rate ~~[to the rollback tax rate]~~ under Section 49.236(d), Water Code."; or

(B) if the district is a taxing unit other than a small taxing unit:

"NOTICE OF VOTE ON TAX RATE

"If taxes on the average residence homestead increase by more than six percent, an election must be held to determine whether to approve the tax rate under Section 49.236(i), Water Code."

(d) This subsection and Subsections (e)-(h) apply to a district only if the district is a small taxing unit. If the board [governing body] of the [a] district adopts a combined debt service, operation and maintenance, and contract tax rate that would impose more than 1.08 times the amount of tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older, the qualified voters of the district by petition may require that an election be held to determine whether [or not] to approve [reduce] the tax rate adopted for the current year [to the rollback tax rate] in accordance with the procedures provided by Subsections (e)-(h) of this section and Section [Sections 26.07(b)-(g) and] 26.081, Tax Code.

maintenance tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older.

No equivalent provision.

No equivalent provision.

No equivalent provision.

(e) A petition under Subsection (d) is valid only if:

(1) it states that it is intended to require an election in the district on the question of approving the tax rate adopted for the current year;

(2) it is signed by a number of registered voters of the district equal to at least:

(A) seven percent of the number of registered voters of the district according to the most recent official list of registered voters if the tax rate adopted for the current tax year would impose taxes for operation and maintenance in an amount of at least \$5 million; or

(B) 10 percent of the number of registered voters of the district according to the most recent official list of registered voters if the tax rate adopted for the current tax year would impose taxes for operation and maintenance in an amount of less than \$5 million; and

(3) it is submitted to the board on or before the 90th day after the date on which the board adopted the tax rate for the current year.

(f) Not later than the 20th day after the day a petition is submitted, the board shall determine whether or not the petition is valid and pass a resolution stating its finding. If the board fails to act within the time allowed, the petition is treated as if it had been found valid.

(g) If the board finds that the petition is valid (or fails to act within the time allowed), it shall order that an election be held in the district on a date not less than 30 or more than 90 days after the last day on which it could have acted to approve or disapprove the petition. A state law requiring local elections to be held on a specified date does not apply to the election unless a specified date falls within the time permitted by this subsection. At the election, the ballots shall be prepared to permit voting for or against the proposition: "Approving the ad valorem tax rate of \$ \_\_\_\_\_ per \$100

No equivalent provision.

valuation in (name of district) for the current year, a rate that is \$ \_\_\_\_\_ higher per \$100 valuation than the district's rollback tax rate, for the purpose of (description of purpose of increase)." The ballot proposition must include the adopted tax rate and the difference between that rate and the rollback tax rate in the appropriate places.

(h) Sections 26.08(c), (d), (d-1), and (d-2), Tax Code, apply to an election under Subsection (d) of this section in the same manner as those subsections apply to an election under Section 26.08, Tax Code.

No equivalent provision.

(i) This subsection applies to a district only if the district is a taxing unit other than a small taxing unit. If the board of the district adopts a combined debt service, operation and maintenance, and contract tax rate that would impose more than 1.06 times the amount of tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older, an election must be held to determine whether to approve the tax rate adopted for the current year in accordance with the procedures provided by Sections 26.08(b), (c), (d), (d-1), and (d-2), Tax Code.

*(See Subsection (d) above.)*

(j) For purposes of Subsection (d) [~~Sections 26.07(b)-(g) and this subsection~~], the rollback tax rate of a district is the sum of the following tax rates:

- (1) the current year's debt service tax rate;
- (2) the current year's [~~and~~] contract tax rate; and
- (3) [~~rates—plus~~] the operation and maintenance tax rate that would impose 1.08 times the amount of the operation and maintenance tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older.

No equivalent provision.

(k) For purposes of Subsection (i), the rollback tax rate of a district is the sum of the following tax rates:

- (1) the current year's debt service tax rate;
- (2) the current year's contract tax rate; and
- (3) the operation and maintenance tax rate that would impose 1.06 times the amount of

No equivalent provision.

the operation and maintenance tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older.

(1) Notwithstanding any other provision of this section, the board of a district that is a taxing unit other than a small taxing unit may substitute "eight percent" for "six percent" in Subsection (a)(3)(B) and "1.08" for "1.06" in Subsections (i) and (k) if any part of the district is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States. The board may continue doing so until the earlier of:

(1) the first tax year in which the total taxable value of property taxable by the district as shown on the appraisal roll for the district submitted by the assessor for the district to the board exceeds the total taxable value of property taxable by the district on January 1 of the tax year in which the disaster occurred; or

(2) the third tax year after the tax year in which the disaster occurred.

(m) In this section:

(1) "Small taxing unit" has the meaning assigned by Section 26.012, Tax Code.

(2) "Taxing unit" has the meaning assigned by Section 1.04, Tax Code.

SECTION 81. The following provisions of the Tax Code are repealed:

- (1) Sections 5.103(e) and (f);
- (2) Section 6.412(e); and
- (3) Section 41A.06(c).

SECTION 82. The following provisions are repealed:

- (1) Sections 403.302(m-1) and (n), Government Code;
- (2) Section 140.010, Local Government Code;
- (3) Section 1063.255, Special District Local Laws Code;
- (4) Section 26.07, Tax Code;
- (5) Section 49.236, Water Code, as added by Chapter 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session, 2003;
- (6) Section 49.2361, Water Code;
- (7) Section 1, H.B. 2228, Acts of the 85th

No equivalent provision.

SECTION 20. The following provisions are repealed:

- (1) Section 49.236, Water Code, as added by Chapter 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session, 2003; and
- (2) Section 49.2361, Water Code.

Legislature, Regular Session, 2017, which amended Section 11.4391(a), Tax Code;  
(8) Section 3, H.B. 2228, Acts of the 85th Legislature, Regular Session, 2017, which added Sections 22.23(c) and (d), Tax Code; and  
(9) Section 5, H.B. 2228, Acts of the 85th Legislature, Regular Session, 2017, which amended Sections 41.44(a) and (c), Tax Code.

SECTION 83. Section 5.041, Tax Code, as amended by this Act, applies only to an appraisal review board member appointed to serve a term of office that begins on or after January 1, 2018.

No equivalent provision.

SECTION 84. The comptroller shall implement Section 5.043, Tax Code, as added by this Act, as soon as practicable after January 1, 2018.

No equivalent provision.

SECTION 85. Sections 5.05, 5.102, 5.13, and 23.01, Tax Code, as amended by this Act, apply only to the appraisal of property for ad valorem tax purposes for a tax year beginning on or after January 1, 2018.

No equivalent provision.

SECTION 86. (a) The comptroller shall comply with Sections 5.07(f), (g), (h), and (i), Tax Code, as added by this Act, as soon as practicable after January 1, 2018.  
(b) The comptroller shall comply with Section 5.091, Tax Code, as amended by this Act, not later than January 1, 2019.

No equivalent provision.

SECTION 87. The comptroller shall prepare and make available the survey form and instructions for completing and submitting the form required by Section 5.104, Tax Code, as added by this Act, as soon as practicable after January 1, 2018. An appraisal district is not required to provide the survey form or instructions under a requirement of that section until the form and instructions are prepared and made available by the comptroller.

No equivalent provision.

SECTION 88. Section 6.41(d-9), Tax Code, as amended by this Act, applies only to the appointment of appraisal review board members to terms beginning on or after January 1, 2019.

No equivalent provision.

SECTION 89. Section 6.412, Tax Code, as

No equivalent provision.



amended by this Act, does not affect the eligibility of a person serving on an appraisal review board immediately before January 1, 2018, to continue to serve on the board for the term to which the member was appointed.

SECTION 90. Section 6.42(d), Tax Code, as added by this Act, applies only to a recommendation, determination, decision, or other action by an appraisal review board or a panel of such a board on or after January 1, 2018. A recommendation, determination, decision, or other action by an appraisal review board or a panel of such a board before January 1, 2018, is governed by the law as it existed immediately before that date, and that law is continued in effect for that purpose.

No equivalent provision.

SECTION 91. Sections 11.4391(a) and 22.23, Tax Code, as amended by this Act, apply only to ad valorem taxes imposed for a tax year beginning on or after January 1, 2018.

No equivalent provision.

SECTION 92. (a) An appraisal district established in a county with a population of 120,000 or more and each taxing unit located wholly or partly in such an appraisal district shall comply with Sections 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18, Tax Code, as added by this Act, beginning with the 2019 tax year.

No equivalent provision.

(b) An appraisal district established in a county with a population of less than 120,000 and each taxing unit located wholly in such an appraisal district shall comply with Sections 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18, Tax Code, as added by this Act, beginning with the 2020 tax year.

SECTION 93. Not later than the 30th day after the effective date of this section:

No equivalent provision.

(1) the designated officer or employee of each taxing unit shall submit to the county assessor-collector for each county in which all or part of the territory of the taxing unit is located the worksheets used by the designated officer or employee to calculate the effective and rollback tax rates of the unit for the 2013-2017 tax years; and

(2) the county assessor-collector for each county shall post the worksheets submitted to the county assessor-collector under

Subdivision (1) of this section on the Internet website of the county.

SECTION 94. A taxing unit that does not own, operate, or control an Internet website is not required to comply with Sections 26.05(b)(2) and 26.065(b), Tax Code, as amended by this Act, until the first tax year in which the unit is required by law to maintain or have access to an Internet website.

No equivalent provision.

SECTION 95. Section 33.08(b), Tax Code, as amended by this Act, applies only to taxes that become delinquent on or after January 1, 2018. Taxes that become delinquent before that date are governed by the law as it existed immediately before that date, and that law is continued in effect for that purpose.

No equivalent provision.

SECTION 96. Section 41.03(a), Tax Code, as amended by this Act, applies only to a challenge under Chapter 41, Tax Code, for which a challenge petition is filed on or after January 1, 2018. A challenge under Chapter 41, Tax Code, for which a challenge petition was filed before January 1, 2018, is governed by the law in effect on the date the challenge petition was filed, and the former law is continued in effect for that purpose.

No equivalent provision.

SECTION 97. Sections 41.45 and 41.66(k), Tax Code, as amended by this Act, and Section 41.66(k-1), Tax Code, as added by this Act, apply only to a protest filed under Chapter 41, Tax Code, on or after January 1, 2019. A protest filed under that chapter before January 1, 2019, is governed by the law in effect on the date the protest was filed, and the former law is continued in effect for that purpose.

No equivalent provision.

SECTION 98. Sections 41.46, 41.461, 41.47, 41.66(h), (i), and (j), and 41.67, Tax Code, as amended by this Act, and Sections 41.66(j-1) and (p), Tax Code, as added by this Act, apply only to a protest for which the notice of protest was filed by a property owner or the designated agent of the owner with the appraisal review board established for an appraisal district on or after January 1, 2018.

No equivalent provision.

SECTION 99. Section 41.71, Tax Code, as

No equivalent provision.

amended by this Act, applies only to a hearing on a protest under Chapter 41, Tax Code, that is scheduled on or after January 1, 2018. A hearing on a protest under Chapter 41, Tax Code, that is scheduled before January 1, 2018, is governed by the law in effect on the date the hearing was scheduled, and that law is continued in effect for that purpose.

SECTION 100. Section 41A.07, Tax Code, as amended by this Act, applies only to a request for binding arbitration received by the comptroller from an appraisal district on or after January 1, 2018.

No equivalent provision.

SECTION 101. Section 41A.09(b), Tax Code, as amended by this Act, applies only to a request for binding arbitration under Chapter 41A, Tax Code, that is filed on or after January 1, 2018. A request for binding arbitration under Chapter 41A, Tax Code, that is filed before January 1, 2018, is governed by the law in effect on the date the request is filed, and the former law is continued in effect for that purpose.

No equivalent provision.

SECTION 102. The changes in law made by this Act in the qualifications of persons serving as arbitrators in binding arbitrations of appeals of appraisal review board orders do not affect the entitlement of a person serving as an arbitrator immediately before January 1, 2018, to continue to serve as an arbitrator and to conduct hearings on arbitrations until the person is required to renew the person's agreement with the comptroller to serve as an arbitrator. The changes in law apply only to a person who initially qualifies to serve as an arbitrator or who renews the person's agreement with the comptroller to serve as an arbitrator on or after January 1, 2018. This Act does not prohibit a person who is serving as an arbitrator on January 1, 2018, from renewing the person's agreement with the comptroller to serve as an arbitrator if the person has the qualifications required for an arbitrator under the Tax Code as amended by this Act.

No equivalent provision.

SECTION 103. (a) Not later than the 30th day after the date this section takes effect, the comptroller shall mail a written notice to each appraisal district and the assessor for

No equivalent provision.

each taxing unit in this state of:

(1) the deadline for complying with each new requirement, duty, or function imposed by this Act on an appraisal district or taxing unit; and

(2) any change made by this Act to the deadline for complying with an existing requirement, duty, or function of an appraisal district or taxing unit.

(b) This section takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this section takes effect on the 91st day after the last day of the legislative session.

SECTION 104. (a) Except as otherwise provided by this Act, this Act takes effect January 1, 2018.

(b) Section 93 of this Act takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, Section 93 of this Act takes effect on the 91st day after the last day of the legislative session.

(c) The following provisions take effect September 1, 2018:

(1) Sections 6.41(b) and (d-9), Tax Code, as amended by this Act;

(2) Sections 6.41(b-1), (b-2), and (d-10), Tax Code, as added by this Act;

(3) Section 6.414(d), Tax Code, as amended by this Act;

(4) Section 6.425, Tax Code, as added by this Act;

(5) Section 41.44(d), Tax Code, as amended by this Act;

(6) Section 41.45(d), Tax Code, as amended by this Act;

(7) Sections 41.45(d-1), (d-2), and (d-3), Tax Code, as added by this Act;

(8) Section 41.66(k), Tax Code, as amended by this Act; and

(9) Section 41.66(k-1), Tax Code, as added by this Act.

(d) The following provisions take effect January 1, 2019:

(1) Sections 26.04(d-1), (d-2), (d-3), (e-2), (e-3), (e-4), and (e-5), Tax Code, as added by this Act;

SECTION 21. This Act takes effect January 1, 2018.

- (2) Sections 26.04(e-1) and (g), Tax Code, as amended by this Act;
- (3) Sections 26.05(d-1) and (d-2), Tax Code, as added by this Act; and
- (4) Section 26.05(e), Tax Code, as amended by this Act.