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H.B. No. 32

A BILL TO BE ENTITLED

AN ACT

relating to the administration of the ad valorem tax system;
authorizing fees.

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

SECTION 1. This Act may be cited as the Property Tax Payer
Empowerment Act of 2017.

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

(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

1 advisory board to advise the comptroller with respect to the
2 division or divisions within the office of the comptroller with
3 primary responsibility for state administration of property
4 taxation and state oversight of appraisal districts and local tax
5 offices. The advisory board may make recommendations to the
6 comptroller regarding improving the effectiveness and efficiency
7 of the property tax system, best practices, and complaint
8 resolution procedures. The comptroller shall post the
9 recommendations of the advisory board on the comptroller's Internet
10 website.

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

14 (1) representatives of property tax payers, appraisal
15 districts, and school districts and other taxing units; and

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

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

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

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

26 SECTION 4. Sections 5.041(b), (c), (e-1), and (e-3), Tax
27 Code, are amended to read as follows:

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

8 (c) The comptroller may contract with service providers to
9 assist with the duties imposed under Subsection (a), but the course
10 required may not be provided by an appraisal district, the chief
11 appraiser or another employee of an appraisal district, a member of
12 the board of directors of an appraisal district, a member of an
13 appraisal review board, or a taxing unit. The comptroller may
14 assess a fee to recover a portion of the costs incurred for the
15 training course, but the fee may not exceed \$50 per person trained.
16 If the training is provided to an individual other than a member of
17 an appraisal review board, the comptroller may assess a fee not to
18 exceed \$50 per person trained.

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

25 (1) the cost, income, and market data comparison
26 methods of appraising property;

27 (2) the appraisal of business personal property;

1 (3) the determination of capitalization rates for
2 property appraisal purposes;

3 (4) the duties of an appraisal review board;

4 (5) the requirements regarding the independence of an
5 appraisal review board from the board of directors and the chief
6 appraiser and other employees of the appraisal district;

7 (6) the prohibitions against ex parte communications
8 applicable to appraisal review board members;

9 (7) the Uniform Standards of Professional Appraisal
10 Practice;

11 (8) the duty of the appraisal district to substantiate
12 the district's determination of the value of property;

13 (9) the requirements regarding the equal and uniform
14 appraisal of property;

15 (10) the right of a property owner to protest the
16 appraisal of the property as provided by Chapter 41; and

17 (11) a detailed explanation of each of the actions
18 described by Sections 25.25, 41.41(a), 41.411, 41.412, 41.413,
19 41.42, and 41.43 so that members are fully aware of each of the
20 grounds on which a property appraisal can be appealed.

21 (e-3) The comptroller may contract with service providers
22 to assist with the duties imposed under Subsection (e-1), but the
23 course required by that subsection may not be provided by an
24 appraisal district, the chief appraiser or another employee of an
25 appraisal district, a member of the board of directors of an
26 appraisal district, a member of an appraisal review board, or a
27 taxing unit. The comptroller may assess a fee to recover a portion

1 of the costs incurred for the continuing education course, but the
2 fee may not exceed \$50 for each person trained. If the training is
3 provided to an individual other than a member of an appraisal review
4 board, the comptroller may assess a fee not to exceed \$50 per person
5 trained.

6 SECTION 5. Chapter 5, Tax Code, is amended by adding Section
7 5.043 to read as follows:

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

11 (b) The comptroller shall:

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

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

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

19 (c) The training program must:

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

22 (2) be at least four hours in length.

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

27 (e) The comptroller may contract with service providers to

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

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

17 SECTION 6. Section 5.07, Tax Code, is amended by adding
18 Subsections (f), (g), (h), and (i) to read as follows:

19 (f) The comptroller shall prescribe tax rate calculation
20 forms to be used by the designated officer or employee of each:

21 (1) taxing unit other than a school district to
22 calculate and submit the no-new-revenue tax rate and the rollback
23 tax rate for the unit as required by Chapter 26; and

24 (2) school district to calculate and submit the
25 no-new-revenue tax rate, the rollback tax rate, and the rate to
26 maintain the same amount of state and local revenue per weighted
27 student that the district received in the school year beginning in

1 the preceding tax year as required by Chapter 26.

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

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

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

9 (3) be capable of being submitted electronically to
10 the chief appraiser of each appraisal district in which the taxing
11 unit is located.

12 (h) For purposes of Subsections (f) and (g), the comptroller
13 shall use the forms published on the comptroller's Internet website
14 as of August 1, 2017, modified as necessary to comply with the
15 requirements of those subsections. The forms may be updated, at the
16 discretion of the comptroller acting through the director of the
17 property tax assistance division, to reflect statutory changes that
18 do not substantially change the tax rate calculations provided for
19 by the form or for the purpose of making formatting or other
20 nonsubstantive changes. The director may determine, in the
21 director's discretion, whether a proposed change substantially
22 changes the tax rate calculations provided for by the forms and
23 therefore must be made in the manner provided by Subsection (i).

24 (i) The comptroller may revise the forms to reflect
25 statutory changes that substantially change the tax rate
26 calculations provided for by the forms or on receipt of a request in
27 writing. A revision under this subsection must be approved by the

1 agreement of a majority of the members of a committee selected by
2 the comptroller who are present at a committee meeting at which a
3 quorum is present. The members of the committee must represent,
4 equally, taxpayers and either taxing units or persons designated by
5 taxing units. In the case of a revision for which the comptroller
6 receives a request in writing, the person requesting the revision
7 shall pay the costs of mediation if the comptroller determines that
8 mediation is required.

9 SECTION 7. Section 5.091, Tax Code, is amended to read as
10 follows:

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

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

20 (2) list the tax rates alphabetically according to:

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

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

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

1 SECTION 8. Section 5.102(a), Tax Code, is amended to read as
2 follows:

3 (a) At least once every two years, the comptroller shall
4 review the governance of each appraisal district, taxpayer
5 assistance provided, and the operating and appraisal standards,
6 procedures, and methodology used by each appraisal district, to
7 determine compliance with generally accepted standards,
8 procedures, and methodology. After consultation with the property
9 tax administration advisory board [~~committee created under Section~~
10 ~~403.302, Government Code~~], the comptroller by rule may establish
11 procedures and standards for conducting and scoring the review.

12 SECTION 9. Chapter 5, Tax Code, is amended by adding Section
13 5.104 to read as follows:

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

16 (1) an appraisal review board survey form that allows
17 an individual described by Subsection (b) to submit comments and
18 suggestions to the comptroller regarding an appraisal review board;
19 and

20 (2) instructions for completing and submitting the
21 form.

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

24 (1) a property owner who files a motion under Section
25 25.25 to correct the appraisal roll or a protest under Chapter 41;

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

27 (3) a designated representative of the appraisal

1 district in which the motion or protest is filed who attends the
2 hearing on the motion or protest.

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

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

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

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

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

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

21 (1) in person;

22 (2) by mail;

23 (3) by e-mail; or

24 (4) through a web page that allows the individual to
25 complete and submit the form electronically.

26 (g) An appraisal district may not require a property owner
27 or the designated agent of the owner to complete a survey form at

1 the appraisal office in order to be permitted to submit the form to
2 the comptroller.

3 (h) A property owner or the designated agent of the owner
4 who elects to submit a survey form must submit the form not later
5 than the 45th day after the date the form is provided to the owner or
6 agent under Subsection (d).

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

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

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

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

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

22 (b-2) An appraisal district board of directors for a
23 district established in a county with a population of one million or
24 more by resolution of a majority of the board's members shall
25 increase the size of the district's appraisal review board to the
26 number of members the board of directors considers appropriate to
27 manage the duties of the appraisal review board, including the

1 duties of each special panel established under Section 6.425.

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

7 (d-10) Upon selection of the individuals who are to serve as
8 members of the appraisal review board, the local administrative
9 district judge shall enter an appropriate order designating such
10 members and setting each member's respective term of office, as
11 provided elsewhere in this section.

12 SECTION 11. Sections 6.412(a) and (d), Tax Code, are
13 amended to read as follows:

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

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

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

26 (A) the delinquent taxes and any penalties and
27 interest are being paid under an installment payment agreement

1 under Section 33.02; or

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

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

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

9 (B) the appraisal review board.

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

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

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

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

23 (4) served for all or part of three previous terms as a
24 board member or auxiliary board member on the appraisal review
25 board.

26 SECTION 12. Section 6.414(d), Tax Code, is amended to read
27 as follows:

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

12 SECTION 13. Section 6.42, Tax Code, is amended by amending
 13 Subsection (a) and adding Subsection (d) to read as follows:

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

23 (d) The concurrence of a majority of the members of the
 24 appraisal review board or a panel of the board present at a meeting
 25 of the board or panel is sufficient for a recommendation,
 26 determination, decision, or other action by the board or panel, and
 27 the concurrence of more than a majority of the members of the board

1 or panel may not be required.

2 SECTION 14. Subchapter C, Chapter 6, Tax Code, is amended by
3 adding Section 6.425 to read as follows:

4 Sec. 6.425. SPECIAL APPRAISAL REVIEW BOARD PANELS IN
5 CERTAIN DISTRICTS. (a) This section applies only to the appraisal
6 review board for an appraisal district described by Section
7 6.41(b-2).

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

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

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

15 (A) commercial real and personal property;

16 (B) real and personal property of utilities;

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

19 (D) multifamily residential real property.

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

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

26 (1) hold a juris doctor or equivalent degree;

27 (2) hold a master of business administration degree;

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

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

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

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

10 (7) have at least 20 years of experience in property
11 tax appraisal or consulting; or

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

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

18 (1) the number of persons appointed to the board by the
19 local administrative district judge who meet those qualifications
20 is not sufficient to fill the positions on each special panel; and

21 (2) the board member being appointed to the panel
22 holds a bachelor's degree in any field.

23 (f) In addition to conducting protest hearings relating to
24 property described by Subsection (b) of this section, a special
25 panel may conduct protest hearings under Chapter 41 relating to
26 property not described by Subsection (b) of this section as
27 assigned by the chairman of the appraisal review board.

1 SECTION 15. Effective January 1, 2019, Section 25.19, Tax
2 Code, is amended by adding Subsections (b-3) and (b-4) to read as
3 follows:

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

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

14 SECTION 16. Effective January 1, 2020, Sections 25.19(b)
15 and (i), Tax Code, are amended to read as follows:

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

18 (1) a list of the taxing units in which the property is
19 taxable;

20 (2) the appraised value of the property in the
21 preceding year;

22 (3) the taxable value of the property in the preceding
23 year for each taxing unit taxing the property;

24 (4) the appraised value of the property for the
25 current year, the kind and amount of each exemption and partial
26 exemption, if any, approved for the property for the current year
27 and for the preceding year, and, if an exemption or partial

1 exemption that was approved for the preceding year was canceled or
2 reduced for the current year, the amount of the exemption or partial
3 exemption canceled or reduced;

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

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

12 (6) ~~(7)~~ a detailed explanation of the time and
13 procedure for protesting the value;

14 (7) ~~(8)~~ the date and place the appraisal review
15 board will begin hearing protests; and

16 (8) ~~(9)~~ a brief explanation that the governing body
17 of each taxing unit decides whether or not taxes on the property
18 will increase and the appraisal district only determines the value
19 of the property.

20 (i) Delivery with a notice required by Subsection (a) or (g)
21 of a copy of the pamphlet published by the comptroller under Section
22 5.06 or a copy of the notice published by the chief appraiser under
23 Section 41.70 is sufficient to comply with the requirement that the
24 notice include the information specified by Subsection (b)(6)
25 ~~(b)(7)~~ or (g)(3), as applicable.

26 SECTION 17. Section 26.012(9), Tax Code, is redesignated as
27 Section 26.012(18), Tax Code, and amended to read as follows:

1 (18) "No-new-revenue [~~(9) "Effective]~~ maintenance
2 and operations rate" means a rate expressed in dollars per \$100 of
3 taxable value and calculated according to the following formula:

4 NO-NEW-REVENUE [~~EFFECTIVE]~~ MAINTENANCE AND OPERATIONS
5 RATE = (LAST YEAR'S LEVY - LAST YEAR'S DEBT LEVY - LAST
6 YEAR'S JUNIOR COLLEGE LEVY) / (CURRENT TOTAL VALUE -
7 NEW PROPERTY VALUE)

8 SECTION 18. The heading to Section 26.04, Tax Code, is
9 amended to read as follows:

10 Sec. 26.04. SUBMISSION OF ROLL TO GOVERNING BODY;
11 NO-NEW-REVENUE [~~EFFECTIVE]~~ AND ROLLBACK TAX RATES.

12 SECTION 19. Section 26.04, Tax Code, is amended by amending
13 Subsections (b), (c), (d), (e), (e-1), (f), (g), (i), and (j) and
14 adding Subsections (d-1), (d-2), (e-2), (e-3), and (e-4) to read as
15 follows:

16 (b) The assessor shall submit the appraisal roll for the
17 unit showing the total appraised, assessed, and taxable values of
18 all property and the total taxable value of new property to the
19 governing body of the unit by August 1 or as soon thereafter as
20 practicable. By August 1 or as soon thereafter as practicable, the
21 taxing unit's collector shall certify [~~an estimate of]~~ the
22 anticipated collection rate, as defined by Subsection (h), for the
23 current year to the governing body. If the collector certified an
24 anticipated collection rate in the preceding year and the actual
25 collection rate in that year exceeded the anticipated rate, the
26 collector shall also certify the amount of debt taxes collected in
27 excess of the anticipated amount in the preceding year.

1 (c) After the assessor for the unit submits the appraisal
2 roll for the unit to the governing body of the unit as required by
3 Subsection (b), an [~~An~~] officer or employee designated by the
4 governing body shall calculate the no-new-revenue [~~effective~~] tax
5 rate and the rollback tax rate for the unit, where:

6 (1) "No-new-revenue [~~Effective~~] tax rate" means a rate
7 expressed in dollars per \$100 of taxable value calculated according
8 to the following formula:

9 NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE = (LAST YEAR'S
10 LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE -
11 NEW PROPERTY VALUE)

12 ; and

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

16 ROLLBACK TAX RATE = (NO-NEW-REVENUE [~~EFFECTIVE~~] MAINTENANCE
17 AND OPERATIONS RATE x 1.08) + CURRENT DEBT RATE

18 (d) The no-new-revenue [~~effective~~] tax rate for a county is
19 the sum of the no-new-revenue [~~effective~~] tax rates calculated for
20 each type of tax the county levies and the rollback tax rate for a
21 county is the sum of the rollback tax rates calculated for each type
22 of tax the county levies.

23 (d-1) The designated officer or employee shall use the tax
24 rate calculation forms prescribed by the comptroller under Section
25 5.07 in calculating the no-new-revenue tax rate and the rollback
26 tax rate.

27 (d-2) The designated officer or employee may not submit the

1 no-new-revenue tax rate and the rollback tax rate to the governing
2 body of the taxing unit and the unit may not adopt a tax rate until
3 the designated officer or employee certifies on the tax rate
4 calculation forms that the designated officer or employee has
5 accurately calculated the tax rates and has used values that are the
6 same as the values shown in the unit's certified appraisal roll in
7 performing the calculations.

8 (e) By August 7 or as soon thereafter as practicable, the
9 designated officer or employee shall submit the rates to the
10 governing body. The designated officer or employee [~~He~~] shall
11 deliver by mail to each property owner in the unit or publish in a
12 newspaper and may post prominently on the home page of the unit's
13 Internet website in the form prescribed by the comptroller:

14 (1) the no-new-revenue [~~effective~~] tax rate, the
15 rollback tax rate, and an explanation of how they were calculated;

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

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

22 (A) the amount of principal and interest that
23 will be paid to service the unit's debts in the next year from
24 property tax revenue, including payments of lawfully incurred
25 contractual obligations providing security for the payment of the
26 principal of and interest on bonds and other evidences of
27 indebtedness issued on behalf of the unit by another political

1 subdivision and, if the unit is created under Section 52, Article
2 III, or Section 59, Article XVI, Texas Constitution, payments on
3 debts that the unit anticipates to incur in the next calendar year;

4 (B) the amount by which taxes imposed for debt
5 are to be increased because of the unit's anticipated collection
6 rate; and

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

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

12 (5) a statement that the adoption of a tax rate equal
13 to the no-new-revenue [~~effective~~] tax rate would result in an
14 increase or decrease, as applicable, in the amount of taxes imposed
15 by the unit as compared to last year's levy, and the amount of the
16 increase or decrease;

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

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

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

27 (C) the name of the unit that operates a distinct

1 department, function, or activity in all or a majority of the
2 territory of a taxing unit that has discontinued operating the
3 distinct department, function, or activity; and

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

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

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

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

17 (e-2) By August 7 or as soon thereafter as practicable, the
18 chief appraiser of each appraisal district shall deliver by regular
19 mail or e-mail to each owner of property located in the appraisal
20 district a notice that the estimated amount of taxes to be imposed
21 on the owner's property by each taxing unit in which the property is
22 located may be found in the property tax database maintained by the
23 appraisal district under Section 26.17. The notice must include:

24 (1) the following statement:

25 "PROPOSED (tax year) PROPERTY TAX BILL INFORMATION

26 "Information concerning the property taxes that may be
27 imposed on your property by local taxing units, the dates and

1 locations of any public hearings on the tax rates of the taxing
2 units, and the dates and locations of meetings of the governing
3 bodies of the taxing units to vote on the tax rates, together with
4 other important property tax information, may be found at the
5 website listed below:

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

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

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

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

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

20 (f) If as a result of consolidation of taxing units a taxing
21 unit includes territory that was in two or more taxing units in the
22 preceding year, the amount of taxes imposed in each in the preceding
23 year is combined for purposes of calculating the no-new-revenue
24 ~~[effective]~~ and rollback tax rates under this section.

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

1 officer or employee of the unit, the chief appraiser of the
2 applicable appraisal district, or the taxing unit, as applicable,
3 has not complied with the computation, ~~[or]~~ publication, or posting
4 requirements of this section or Section 26.17 or 26.18 ~~[and the~~
5 ~~failure to comply was not in good faith]~~.

6 (i) This subsection applies to a taxing unit that has agreed
7 by written contract to transfer a distinct department, function, or
8 activity to another taxing unit and discontinues operating that
9 distinct department, function, or activity if the operation of that
10 department, function, or activity in all or a majority of the
11 territory of the taxing unit is continued by another existing
12 taxing unit or by a new taxing unit. The rollback tax rate of a
13 taxing unit to which this subsection applies in the first tax year
14 in which a budget is adopted that does not allocate revenue to the
15 discontinued department, function, or activity is calculated as
16 otherwise provided by this section, except that last year's levy
17 used to calculate the no-new-revenue ~~[effective]~~ maintenance and
18 operations rate of the unit is reduced by the amount of maintenance
19 and operations tax revenue spent by the taxing unit to operate the
20 department, function, or activity for the 12 months preceding the
21 month in which the calculations required by this chapter are made
22 and in which the unit operated the discontinued department,
23 function, or activity. If the unit did not operate that department,
24 function, or activity for the full 12 months preceding the month in
25 which the calculations required by this chapter are made, the unit
26 shall reduce last year's levy used for calculating the
27 no-new-revenue ~~[effective]~~ maintenance and operations rate of the

1 unit by the amount of the revenue spent in the last full fiscal year
2 in which the unit operated the discontinued department, function,
3 or activity.

4 (j) This subsection applies to a taxing unit that had agreed
5 by written contract to accept the transfer of a distinct
6 department, function, or activity from another taxing unit and
7 operates a distinct department, function, or activity if the
8 operation of a substantially similar department, function, or
9 activity in all or a majority of the territory of the taxing unit
10 has been discontinued by another taxing unit, including a dissolved
11 taxing unit. The rollback tax rate of a taxing unit to which this
12 subsection applies in the first tax year after the other taxing unit
13 discontinued the substantially similar department, function, or
14 activity in which a budget is adopted that allocates revenue to the
15 department, function, or activity is calculated as otherwise
16 provided by this section, except that last year's levy used to
17 calculate the no-new-revenue [~~effective~~] maintenance and
18 operations rate of the unit is increased by the amount of
19 maintenance and operations tax revenue spent by the taxing unit
20 that discontinued operating the substantially similar department,
21 function, or activity to operate that department, function, or
22 activity for the 12 months preceding the month in which the
23 calculations required by this chapter are made and in which the unit
24 operated the discontinued department, function, or activity. If
25 the unit did not operate the discontinued department, function, or
26 activity for the full 12 months preceding the month in which the
27 calculations required by this chapter are made, the unit may

1 increase last year's levy used to calculate the no-new-revenue
 2 [~~effective~~] maintenance and operations rate by an amount not to
 3 exceed the amount of property tax revenue spent by the
 4 discontinuing unit to operate the discontinued department,
 5 function, or activity in the last full fiscal year in which the
 6 discontinuing unit operated the department, function, or activity.

7 SECTION 20. Sections 26.041(a), (b), (c), (e), (g), and
 8 (h), Tax Code, are amended to read as follows:

9 (a) In the first year in which an additional sales and use
 10 tax is required to be collected, the no-new-revenue [~~effective~~] tax
 11 rate and rollback tax rate for the unit are calculated according to
 12 the following formulas:

13
$$\underline{\text{NO-NEW-REVENUE}} \text{ } [\underline{\text{EFFECTIVE}}] \text{ TAX RATE} = \underline{[(\text{LAST YEAR'S}} \\$$

 14
$$\text{LEVY} - \text{LOST PROPERTY LEVY}) / (\text{CURRENT TOTAL VALUE} - \text{NEW}} \\$$

 15
$$\text{PROPERTY VALUE)]} - \text{SALES TAX GAIN RATE}$$

16 and

17
$$\text{ROLLBACK } \underline{\text{TAX}} \text{ RATE} = (\underline{\text{NO-NEW-REVENUE}} \text{ } [\underline{\text{EFFECTIVE}}] \\$$

 18
$$\text{MAINTENANCE AND OPERATIONS RATE} \times 1.08) + \text{CURRENT DEBT} \\$$

 19
$$\text{RATE} - \text{SALES TAX GAIN RATE}$$

20 where "sales tax gain rate" means a number expressed in dollars per
 21 \$100 of taxable value, calculated by dividing the revenue that will
 22 be generated by the additional sales and use tax in the following
 23 year as calculated under Subsection (d) [~~of this section~~] by the
 24 current total value.

25 (b) Except as provided by Subsections (a) and (c) [~~of this~~
 26 ~~section~~], in a year in which a taxing unit imposes an additional
 27 sales and use tax, the rollback tax rate for the unit is calculated

1 according to the following formula, regardless of whether the unit
 2 levied a property tax in the preceding year:

$$\begin{aligned}
 & \text{3} \quad \text{ROLLBACK } \underline{\text{TAX}} \text{ RATE} = [(\text{LAST YEAR'S MAINTENANCE AND} \\
 & \text{4} \quad \text{OPERATIONS EXPENSE} \times 1.08) / ([\text{TOTAL}] \text{ CURRENT } \underline{\text{TOTAL}} \\
 & \text{5} \quad \text{VALUE} - \text{NEW PROPERTY VALUE})] + (\text{CURRENT DEBT RATE} - \\
 & \text{6} \quad \text{SALES TAX REVENUE RATE})
 \end{aligned}$$

7 where "last year's maintenance and operations expense" means the
 8 amount spent for maintenance and operations from property tax and
 9 additional sales and use tax revenues in the preceding year, and
 10 "sales tax revenue rate" means a number expressed in dollars per
 11 \$100 of taxable value, calculated by dividing the revenue that will
 12 be generated by the additional sales and use tax in the current year
 13 as calculated under Subsection (d) [~~of this section~~] by the current
 14 total value.

15 (c) In a year in which a taxing unit that has been imposing
 16 an additional sales and use tax ceases to impose an additional sales
 17 and use tax, the no-new-revenue [~~effective~~] tax rate and rollback
 18 tax rate for the unit are calculated according to the following
 19 formulas:

$$\begin{aligned}
 & \text{20} \quad \underline{\text{NO-NEW-REVENUE}} \text{ } [\text{EFFECTIVE}] \text{ TAX RATE} = [(\text{LAST YEAR'S} \\
 & \text{21} \quad \text{LEVY} - \text{LOST PROPERTY LEVY}) / (\text{CURRENT TOTAL VALUE} - \text{NEW} \\
 & \text{22} \quad \text{PROPERTY VALUE})] + \text{SALES TAX LOSS RATE}
 \end{aligned}$$

23 and

$$\begin{aligned}
 & \text{24} \quad \text{ROLLBACK TAX RATE} = [(\text{LAST YEAR'S MAINTENANCE AND} \\
 & \text{25} \quad \text{OPERATIONS EXPENSE} \times 1.08) / ([\text{TOTAL}] \text{ CURRENT } \underline{\text{TOTAL}} \\
 & \text{26} \quad \text{VALUE} - \text{NEW PROPERTY VALUE})] + \text{CURRENT DEBT RATE}
 \end{aligned}$$

27 where "sales tax loss rate" means a number expressed in dollars per

1 \$100 of taxable value, calculated by dividing the amount of sales
2 and use tax revenue generated in the last four quarters for which
3 the information is available by the current total value and "last
4 year's maintenance and operations expense" means the amount spent
5 for maintenance and operations from property tax and additional
6 sales and use tax revenues in the preceding year.

7 (e) If a city that imposes an additional sales and use tax
8 receives payments under the terms of a contract executed before
9 January 1, 1986, in which the city agrees not to annex certain
10 property or a certain area and the owners or lessees of the property
11 or of property in the area agree to pay at least annually to the city
12 an amount determined by reference to all or a percentage of the
13 property tax rate of the city and all or a part of the value of the
14 property subject to the agreement or included in the area subject to
15 the agreement, the governing body, by order adopted by a majority
16 vote of the governing body, may direct the designated officer or
17 employee to add to the no-new-revenue [~~effective~~] and rollback tax
18 rates the amount that, when applied to the total taxable value
19 submitted to the governing body, would produce an amount of taxes
20 equal to the difference between the total amount of payments for the
21 tax year under contracts described by this subsection under the
22 rollback tax rate calculated under this section and the total
23 amount of payments for the tax year that would have been obligated
24 to the city if the city had not adopted an additional sales and use
25 tax.

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

1 projections, in the manner provided by Subsection (d) [~~of this~~
2 ~~section~~], of the revenue generated by the additional sales and use
3 tax in the following year. The first projection must take into
4 account the increase and the second projection must not take into
5 account the increase. The designated officer or employee shall
6 then subtract the amount of the result of the second projection from
7 the amount of the result of the first projection to determine the
8 revenue generated as a result of the increase in the additional
9 sales and use tax. In the first year in which an additional sales
10 and use tax is increased, the no-new-revenue [~~effective~~] tax rate
11 for the unit is the no-new-revenue [~~effective~~] tax rate before the
12 increase minus a number the numerator of which is the revenue
13 generated as a result of the increase in the additional sales and
14 use tax, as determined under this subsection, and the denominator
15 of which is the current total value minus the new property value.

16 (h) If the rate of the additional sales and use tax is
17 decreased, the designated officer or employee shall make two
18 projections, in the manner provided by Subsection (d) [~~of this~~
19 ~~section~~], of the revenue generated by the additional sales and use
20 tax in the following year. The first projection must take into
21 account the decrease and the second projection must not take into
22 account the decrease. The designated officer or employee shall
23 then subtract the amount of the result of the first projection from
24 the amount of the result of the second projection to determine the
25 revenue lost as a result of the decrease in the additional sales and
26 use tax. In the first year in which an additional sales and use tax
27 is decreased, the no-new-revenue [~~effective~~] tax rate for the unit

1 is the no-new-revenue [~~effective~~] tax rate before the decrease plus
2 a number the numerator of which is the revenue lost as a result of
3 the decrease in the additional sales and use tax, as determined
4 under this subsection, and the denominator of which is the current
5 total value minus the new property value.

6 SECTION 21. The heading to Section 26.043, Tax Code, is
7 amended to read as follows:

8 Sec. 26.043. ROLLBACK AND NO-NEW-REVENUE [~~EFFECTIVE~~] TAX
9 RATES [~~RATE~~] IN CITY IMPOSING MASS TRANSIT SALES AND USE TAX.

10 SECTION 22. Sections 26.043(a) and (b), Tax Code, are
11 amended to read as follows:

12 (a) In the tax year in which a city has set an election on
13 the question of whether to impose a local sales and use tax under
14 Subchapter H, Chapter 453, Transportation Code, the officer or
15 employee designated to make the calculations provided by Section
16 26.04 may not make those calculations until the outcome of the
17 election is determined. If the election is determined in favor of
18 the imposition of the tax, the representative shall subtract from
19 the city's rollback and no-new-revenue [~~effective~~] tax rates the
20 amount that, if applied to the city's current total value, would
21 impose an amount equal to the amount of property taxes budgeted in
22 the current tax year to pay for expenses related to mass transit
23 services.

24 (b) In a tax year to which this section applies, a reference
25 in this chapter to the city's no-new-revenue [~~effective~~] or
26 rollback tax rate refers to that rate as adjusted under this
27 section.

1 SECTION 23. The heading to Section 26.044, Tax Code, is
2 amended to read as follows:

3 Sec. 26.044. NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE TO PAY FOR
4 STATE CRIMINAL JUSTICE MANDATE.

5 SECTION 24. Sections 26.044(a), (b), and (c), Tax Code, are
6 amended to read as follows:

7 (a) The first time that a county adopts a tax rate after
8 September 1, 1991, in which the state criminal justice mandate
9 applies to the county, the no-new-revenue [~~effective~~] maintenance
10 and operation rate for the county is increased by the rate
11 calculated according to the following formula:

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

14 (b) In the second and subsequent years that a county adopts
15 a tax rate, if the amount spent by the county for the state criminal
16 justice mandate increased over the previous year, the
17 no-new-revenue [~~effective~~] maintenance and operation rate for the
18 county is increased by the rate calculated according to the
19 following formula:

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

23 (c) The county shall include a notice of the increase in the
24 no-new-revenue [~~effective~~] maintenance and operation rate provided
25 by this section, including a description and amount of the state
26 criminal justice mandate, in the information published under
27 Section 26.04(e) and Section 26.06(b) [~~of this code~~].

1 SECTION 25. Sections 26.0441(a), (b), and (c), Tax Code,
2 are amended to read as follows:

3 (a) In the first tax year in which a taxing unit adopts a tax
4 rate after January 1, 2000, and in which the enhanced minimum
5 eligibility standards for indigent health care established under
6 Section 61.006, Health and Safety Code, apply to the taxing unit,
7 the no-new-revenue ~~[effective]~~ maintenance and operations rate for
8 the taxing unit is increased by the rate computed according to the
9 following formula:

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

13 (b) In each subsequent tax year, if the taxing unit's
14 enhanced indigent health care expenses exceed the amount of those
15 expenses for the preceding year, the no-new-revenue ~~[effective]~~
16 maintenance and operations rate for the taxing unit is increased by
17 the rate computed according to the following formula:

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

22 (c) The taxing unit shall include a notice of the increase
23 in its no-new-revenue ~~[effective]~~ maintenance and operations rate
24 provided by this section, including a brief description and the
25 amount of the enhanced indigent health care expenditures, in the
26 information published under Section 26.04(e) and, if applicable,
27 Section 26.06(b).

1 SECTION 26. Section 26.05, Tax Code, is amended by amending
2 Subsections (b), (c), (d), (e), and (g) and adding Subsections
3 (d-1) and (d-2) to read as follows:

4 (b) A taxing unit may not impose property taxes in any year
5 until the governing body has adopted a tax rate for that year, and
6 the annual tax rate must be set by ordinance, resolution, or order,
7 depending on the method prescribed by law for adoption of a law by
8 the governing body. The vote on the ordinance, resolution, or order
9 setting the tax rate must be separate from the vote adopting the
10 budget. For a taxing unit other than a school district, the vote on
11 the ordinance, resolution, or order setting a tax rate that exceeds
12 the no-new-revenue [~~effective~~] tax rate must be a record vote, and
13 at least 60 percent of the members of the governing body must vote
14 in favor of the ordinance, resolution, or order. For a school
15 district, the vote on the ordinance, resolution, or order setting a
16 tax rate that exceeds the sum of the no-new-revenue [~~effective~~]
17 maintenance and operations tax rate of the district as determined
18 under Section 26.08(i) and the district's current debt rate must be
19 a record vote, and at least 60 percent of the members of the
20 governing body must vote in favor of the ordinance, resolution, or
21 order. A motion to adopt an ordinance, resolution, or order setting
22 a tax rate that exceeds the no-new-revenue [~~effective~~] tax rate
23 must be made in the following form: "I move that the property tax
24 rate be increased by the adoption of a tax rate of (specify tax
25 rate), which is effectively a (insert percentage by which the
26 proposed tax rate exceeds the no-new-revenue [~~effective~~] tax rate)
27 percent increase in the tax rate." If the ordinance, resolution, or

1 order sets a tax rate that, if applied to the total taxable value,
2 will impose an amount of taxes to fund maintenance and operation
3 expenditures of the taxing unit that exceeds the amount of taxes
4 imposed for that purpose in the preceding year, the taxing unit
5 must:

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

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

11 (B) if the tax rate exceeds the no-new-revenue
12 [~~effective~~] maintenance and operations rate, the following
13 statement: "THE TAX RATE WILL EFFECTIVELY BE RAISED BY (INSERT
14 PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE NO-NEW-REVENUE
15 [~~EFFECTIVE~~] MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE
16 TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY
17 APPROXIMATELY \$(Insert amount)."; and

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

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

23 (B) if the tax rate exceeds the no-new-revenue
24 [~~effective~~] maintenance and operations rate, the following
25 statement: "THE TAX RATE WILL EFFECTIVELY BE RAISED BY (INSERT
26 PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE NO-NEW-REVENUE
27 [~~EFFECTIVE~~] MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE

1 TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY
2 APPROXIMATELY \$(Insert amount)."

3 (c) If the governing body of a taxing unit does not adopt a
4 tax rate before the date required by Subsection (a), the tax rate
5 for the taxing unit for that tax year is the lower of the
6 no-new-revenue [~~effective~~] tax rate calculated for that tax year or
7 the tax rate adopted by the taxing unit for the preceding tax year.
8 A tax rate established by this subsection is treated as an adopted
9 tax rate. Before the fifth day after the establishment of a tax
10 rate by this subsection, the governing body of the taxing unit must
11 ratify the applicable tax rate in the manner required by Subsection
12 (b).

13 (d) The governing body of a taxing unit other than a school
14 district may not adopt a tax rate that exceeds the lower of the
15 rollback tax rate or the no-new-revenue [~~effective~~] tax rate
16 calculated as provided by this chapter until the governing body has
17 held two public hearings on the proposed tax rate and has otherwise
18 complied with Section 26.06 and Section 26.065. The governing body
19 of a taxing unit shall reduce a tax rate set by law or by vote of the
20 electorate to the lower of the rollback tax rate or the
21 no-new-revenue [~~effective~~] tax rate and may not adopt a higher rate
22 unless it first complies with Section 26.06.

23 (d-1) The governing body of a taxing unit may not hold a
24 public hearing on a proposed tax rate or a public meeting to adopt a
25 tax rate until the 14th day after the date the officer or employee
26 designated by the governing body of the unit to calculate the
27 no-new-revenue tax rate and the rollback tax rate for the unit

1 complies with Section 26.17.

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

5 (1) the chief appraiser of each appraisal district in
6 which the taxing unit participates has:

7 (A) delivered the notice required by Section
8 26.04(e-2); and

9 (B) incorporated the tax rate calculation forms
10 submitted to the appraisal district under Section 26.17(d)(2) by
11 the designated officer or employee of the taxing unit into the
12 property tax database maintained by the chief appraiser and made
13 them available to the public;

14 (2) the designated officer or employee of the taxing
15 unit has entered in the property tax database maintained by the
16 chief appraiser the information described by Section 26.17(b) for
17 the current tax year; and

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

21 (e) A person who owns taxable property is entitled to an
22 injunction restraining the collection of taxes by a taxing unit in
23 which the property is taxable if the taxing unit has not complied
24 with the requirements of this section or Section 26.04 [~~and the~~
25 ~~failure to comply was not in good faith~~]. An action to enjoin the
26 collection of taxes must be filed not later than the 15th day after
27 the date the taxing unit adopts a tax rate. A property owner is not

1 required to pay the taxes imposed by a taxing unit on the owner's
2 property while an action filed by the property owner to enjoin the
3 collection of taxes imposed by the taxing unit on the owner's
4 property is pending. If the property owner pays the taxes and
5 subsequently prevails in the action, the property owner is entitled
6 to a refund of the taxes paid, together with reasonable attorney's
7 fees and court costs. The property owner is not required to apply
8 to the collector for the taxing unit to receive the refund [~~prior to~~
9 ~~the date a taxing unit delivers substantially all of its tax bills~~].

10 (g) Notwithstanding Subsection (a), the governing body of a
11 school district that elects to adopt a tax rate before the adoption
12 of a budget for the fiscal year that begins in the current tax year
13 may adopt a tax rate for the current tax year before receipt of the
14 certified appraisal roll for the school district if the chief
15 appraiser of the appraisal district in which the school district
16 participates has certified to the assessor for the school district
17 an estimate of the taxable value of property in the school district
18 as provided by Section 26.01(e). If a school district adopts a tax
19 rate under this subsection, the no-new-revenue [~~effective~~] tax rate
20 and the rollback tax rate of the district shall be calculated based
21 on the certified estimate of taxable value.

22 SECTION 27. Section 26.052, Tax Code, is amended by
23 amending Subsection (e) and adding Subsection (f) to read as
24 follows:

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

27 (1) the tax rate that the governing body proposes to

1 adopt;

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

5 (3) if the proposed tax rate for the taxing unit
6 exceeds the unit's no-new-revenue [~~effective~~] tax rate calculated
7 as provided by Section 26.04, a statement substantially identical
8 to the following: "The proposed tax rate would increase total taxes
9 in (name of taxing unit) by (percentage by which the proposed tax
10 rate exceeds the no-new-revenue [~~effective~~] tax rate)."

11 (f) A taxing unit to which this section applies that elects
12 to provide public notice of its proposed tax rate under Subsection
13 (c) may also provide public notice of its proposed tax rate by
14 posting notice of the proposed tax rate including the information
15 prescribed by Subsection (e) prominently on the home page of the
16 Internet website of the taxing unit.

17 SECTION 28. Sections 26.06(b), (c), (d), and (e), Tax Code,
18 are amended to read as follows:

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

23 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

24 "The (name of the taxing unit) will hold two public hearings
25 on a proposal to increase total tax revenues from properties on the
26 tax roll in the preceding tax year by (percentage by which proposed
27 tax rate exceeds lower of rollback tax rate or no-new-revenue

1 [~~effective~~] tax rate calculated under this chapter) percent. Your
2 individual taxes may increase at a greater or lesser rate, or even
3 decrease, depending on the tax rate that is adopted and on the
4 change in the taxable value of your property in relation to the
5 change in taxable value of all other property [~~and the tax rate that~~
6 ~~is adopted~~]. The change in the taxable value of your property in
7 relation to the change in the taxable value of all other property
8 determines the distribution of the tax burden among all property
9 owners.

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

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

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

17 "The average taxable value of a residence homestead in (name
18 of taxing unit) last year was \$____ (average taxable value of a
19 residence homestead in the taxing unit for the preceding tax year,
20 disregarding residence homestead exemptions available only to
21 disabled persons or persons 65 years of age or older). Based on
22 last year's tax rate of \$____ (preceding year's adopted tax rate)
23 per \$100 of taxable value, the amount of taxes imposed last year on
24 the average home was \$____ (tax on average taxable value of a
25 residence homestead in the taxing unit for the preceding tax year,
26 disregarding residence homestead exemptions available only to
27 disabled persons or persons 65 years of age or older).

1 "The average taxable value of a residence homestead in (name
2 of taxing unit) this year is \$____ (average taxable value of a
3 residence homestead in the taxing unit for the current tax year,
4 disregarding residence homestead exemptions available only to
5 disabled persons or persons 65 years of age or older). If the
6 governing body adopts the no-new-revenue [~~effective~~] tax rate for
7 this year of \$____ (no-new-revenue [~~effective~~] tax rate) per \$100
8 of taxable value, the amount of taxes imposed this year on the
9 average home would be \$____ (tax on average taxable value of a
10 residence homestead in the taxing unit for the current tax year,
11 disregarding residence homestead exemptions available only to
12 disabled persons or persons 65 years of age or older).

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

19 "Members of the public are encouraged to attend the hearings
20 and express their views."

21 (c) The notice of a public hearing under this section may be
22 delivered by mail to each property owner in the unit, or may be
23 published in a newspaper. If the notice is published in a
24 newspaper, it may not be in the part of the paper in which legal
25 notices and classified advertisements appear. The [~~If the taxing~~
26 ~~unit operates an Internet website, the~~] notice must also be posted
27 prominently on the home page of the Internet website of the taxing

1 unit from the date the notice is first published until the second
2 public hearing is concluded.

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

9 "NOTICE OF TAX REVENUE INCREASE

10 "The (name of the taxing unit) conducted public hearings on
11 (date of first hearing) and (date of second hearing) on a proposal
12 to increase the total tax revenues of the (name of the taxing unit)
13 from properties on the tax roll in the preceding year by (percentage
14 by which proposed tax rate exceeds lower of rollback tax rate or
15 no-new-revenue [~~effective~~] tax rate calculated under this chapter)
16 percent.

17 "The total tax revenue proposed to be raised last year at last
18 year's tax rate of (insert tax rate for the preceding year) for each
19 \$100 of taxable value was (insert total amount of taxes imposed in
20 the preceding year).

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

27 "The total tax revenue proposed to be raised this year at the

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

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

9 "The (governing body of the taxing unit) proposes to use the
10 increase in total tax revenue for the purpose of (description of
11 purpose of increase)."

12 (e) The meeting to vote on the tax increase may not be
13 earlier than the third day or later than the 14th day after the date
14 of the second public hearing. The meeting must be held inside the
15 boundaries of the taxing unit in a publicly owned building or, if a
16 suitable publicly owned building is not available, in a suitable
17 building to which the public normally has access. If the governing
18 body does not adopt a tax rate that exceeds the lower of the
19 rollback tax rate or the no-new-revenue [~~effective~~] tax rate by the
20 14th day, it must give a new notice under Subsection (d) before it
21 may adopt a rate that exceeds the lower of the rollback tax rate or
22 the no-new-revenue [~~effective~~] tax rate.

23 SECTION 29. Section 26.065(b), Tax Code, is amended to read
24 as follows:

25 (b) The [~~If the~~] taxing unit [~~owns, operates, or controls an~~
26 ~~Internet website, the unit~~] shall post notice of the public hearing
27 prominently on the home page of the Internet website of the unit

1 continuously for at least seven days immediately before the public
2 hearing on the proposed tax rate increase and at least seven days
3 immediately before the date of the vote proposing the increase in
4 the tax rate.

5 SECTION 30. Sections 26.08(g), (n), and (p), Tax Code, are
6 amended to read as follows:

7 (g) In a school district that received distributions from an
8 equalization tax imposed under former Chapter 18, Education Code,
9 the no-new-revenue [~~effective~~] rate of that tax as of the date of
10 the county unit system's abolition is added to the district's
11 rollback tax rate.

12 (n) For purposes of this section, the rollback tax rate of a
13 school district whose maintenance and operations tax rate for the
14 2005 tax year was \$1.50 or less per \$100 of taxable value is:

15 (1) for the 2006 tax year, the sum of the rate that is
16 equal to 88.67 percent of the maintenance and operations tax rate
17 adopted by the district for the 2005 tax year, the rate of \$0.04 per
18 \$100 of taxable value, and the district's current debt rate; and

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

21 (A) the sum of the following:

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

26 (ii) the rate of \$0.04 per \$100 of taxable
27 value;

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

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

7 (B) the sum of the following:

8 (i) the no-new-revenue [~~effective~~]
9 maintenance and operations tax rate of the district as computed
10 under Subsection (i) [~~or (k), as applicable~~];

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

15 (iii) the district's current debt rate.

16 (p) Notwithstanding Subsections (i), (n), and (o), if for
17 the preceding tax year a school district adopted a maintenance and
18 operations tax rate that was less than the district's
19 no-new-revenue [~~effective~~] maintenance and operations tax rate for
20 that preceding tax year, the rollback tax rate of the district for
21 the current tax year is calculated as if the district adopted a
22 maintenance and operations tax rate for the preceding tax year that
23 was equal to the district's no-new-revenue [~~effective~~] maintenance
24 and operations tax rate for that preceding tax year.

25 SECTION 31. Section 26.08(i), Tax Code, as effective
26 September 1, 2017, is amended to read as follows:

27 (i) For purposes of this section, the no-new-revenue

1 [effective] maintenance and operations tax rate of a school
2 district is the tax rate that, applied to the current total value
3 for the district, would impose taxes in an amount that, when added
4 to state funds that would be distributed to the district under
5 Chapter 42, Education Code, for the school year beginning in the
6 current tax year using that tax rate, would provide the same amount
7 of state funds distributed under Chapter 42, Education Code, and
8 maintenance and operations taxes of the district per student in
9 weighted average daily attendance for that school year that would
10 have been available to the district in the preceding year if the
11 funding elements for Chapters 41 and 42, Education Code, for the
12 current year had been in effect for the preceding year.

13 SECTION 32. Section 26.16, Tax Code, is amended by amending
14 Subsections (a) and (d) and adding Subsection (a-1) to read as
15 follows:

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

- 21 (1) the adopted tax rate;
- 22 (2) the maintenance and operations rate;
- 23 (3) the debt rate;
- 24 (4) the no-new-revenue [effective] tax rate;
- 25 (5) the no-new-revenue [effective] maintenance and
26 operations rate; and
- 27 (6) the rollback tax rate.

1 (a-1) For purposes of Subsection (a), a reference to the
2 no-new-revenue tax rate or the no-new-revenue maintenance and
3 operations rate includes the equivalent effective tax rate or
4 effective maintenance and operations rate for a preceding year.
5 This subsection expires January 1, 2024.

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

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

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

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

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

23 "The no-new-revenue [~~effective~~] tax rate is the tax rate that
24 would generate the same amount of revenue in the current tax year as
25 was generated by a taxing unit's adopted tax rate in the preceding
26 tax year from property that is taxable in both the current tax year
27 and the preceding tax year.

1 "The no-new-revenue [~~effective~~] maintenance and operations
2 rate is the tax rate that would generate the same amount of revenue
3 for maintenance and operations in the current tax year as was
4 generated by a taxing unit's maintenance and operations rate in the
5 preceding tax year from property that is taxable in both the current
6 tax year and the preceding tax year.

7 "The rollback tax rate is the highest tax rate a taxing unit
8 may adopt before requiring voter approval at an election. In the
9 case of a taxing unit other than a school district, the voters by
10 petition may require that a rollback election be held if the unit
11 adopts a tax rate in excess of the unit's rollback tax rate. In the
12 case of a school district, an election will automatically be held if
13 the district wishes to adopt a tax rate in excess of the district's
14 rollback tax rate."

15 SECTION 33. Chapter 26, Tax Code, is amended by adding
16 Sections 26.17 and 26.18 to read as follows:

17 Sec. 26.17. DATABASE OF PROPERTY-TAX-RELATED INFORMATION.

18 (a) The chief appraiser of each appraisal district shall create and
19 maintain a property tax database that:

20 (1) is identified by the name of the county in which
21 the appraisal district is established instead of the name of the
22 appraisal district;

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

27 (3) is continuously updated as preliminary and revised

1 data become available to and are provided by the designated
2 officers or employees of taxing units;

3 (4) is accessible to the public; and

4 (5) is searchable by property address and owner.

5 (b) The database must include, with respect to each property
6 listed on the appraisal roll for the appraisal district:

7 (1) the property's identification number;

8 (2) the property's market value;

9 (3) the property's taxable value;

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

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

14 (A) the no-new-revenue tax rate; and

15 (B) the rollback tax rate;

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

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

21 (B) the rollback tax rate;

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

24 (8) for each taxing unit other than a school district
25 in which the property is located, the taxes that would be imposed on
26 the property if the unit adopted a tax rate equal to:

27 (A) the no-new-revenue tax rate; and

1 (B) the proposed tax rate;

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

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

8 (B) the proposed tax rate;

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

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

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

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

23 (c) The database must provide a link to the Internet website
24 used by each taxing unit in which the property is located to post
25 the information described by Section 26.18.

26 (d) The officer or employee designated by the governing body
27 of each taxing unit to calculate the no-new-revenue tax rate and the

1 rollback tax rate for the unit must electronically:

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

4 (2) submit to the appraisal district the tax rate
5 calculation forms prepared under Section 26.04(d-1) at the same
6 time the designated officer or employee submits the tax rates to the
7 governing body of the unit under Section 26.04(e).

8 (e) The chief appraiser shall deliver by e-mail to the
9 designated officer or employee confirmation of receipt of the tax
10 rate calculation forms submitted under Subsection (d)(2). The
11 chief appraiser shall incorporate the forms into the database and
12 make them available to the public not later than the third day after
13 the date the chief appraiser receives them.

14 Sec. 26.18. POSTING OF TAX RATE AND BUDGET INFORMATION BY
15 TAXING UNIT ON WEBSITE. Each taxing unit shall maintain an Internet
16 website or have access to a generally accessible Internet website
17 that may be used for the purposes of this section. Each taxing unit
18 shall post or cause to be posted on the Internet website the
19 following information in a format prescribed by the comptroller:

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

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

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

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

- 1 years;
- 2 (5) the taxing unit's proposed or adopted budget for
3 the current year;
- 4 (6) the change in the amount of the taxing unit's
5 budget from the preceding year to the current year, by dollar amount
6 and percentage;
- 7 (7) in the case of a taxing unit other than a school
8 district, the amount of property tax revenue budgeted for
9 maintenance and operations for:
- 10 (A) the preceding two years; and
11 (B) the current year;
- 12 (8) in the case of a taxing unit other than a school
13 district, the amount of property tax revenue budgeted for debt
14 service for:
- 15 (A) the preceding two years; and
16 (B) the current year;
- 17 (9) the tax rate for maintenance and operations
18 adopted by the taxing unit for the preceding two years;
- 19 (10) in the case of a taxing unit other than a school
20 district, the tax rate for debt service adopted by the unit for the
21 preceding two years;
- 22 (11) in the case of a school district, the interest and
23 sinking fund tax rate adopted by the district for the preceding two
24 years;
- 25 (12) the tax rate for maintenance and operations
26 proposed by the taxing unit for the current year;
- 27 (13) in the case of a taxing unit other than a school

1 district, the tax rate for debt service proposed by the unit for the
2 current year;

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

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

8 SECTION 34. Section 41.03(a), Tax Code, is amended to read
9 as follows:

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

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

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

17 (2) ~~(3)]~~ a grant in whole or in part of a partial
18 exemption;

19 (3) ~~(4)]~~ a determination that land qualifies for
20 appraisal as provided by Subchapter C, D, E, or H, Chapter 23; or

21 (4) ~~(5)]~~ failure to identify the taxing unit as one
22 in which a particular property is taxable.

23 SECTION 35. Section 41.44(d), Tax Code, is amended to read
24 as follows:

25 (d) A notice of protest is sufficient if it identifies the
26 protesting property owner, including a person claiming an ownership
27 interest in the property even if that person is not listed on the

1 appraisal records as an owner of the property, identifies the
2 property that is the subject of the protest, and indicates apparent
3 dissatisfaction with some determination of the appraisal office.
4 The notice need not be on an official form, but the comptroller
5 shall prescribe a form that provides for more detail about the
6 nature of the protest. The form must permit a property owner to
7 include each property in the appraisal district that is the subject
8 of a protest. The form must permit a property owner to request that
9 the protest be heard by a special panel established under Section
10 6.425 if the protest will be determined by an appraisal review board
11 to which that section applies and the property is described by
12 Section 6.425(b). The comptroller, each appraisal office, and each
13 appraisal review board shall make the forms readily available and
14 deliver one to a property owner on request.

15 SECTION 36. Section 41.45, Tax Code, is amended by amending
16 Subsection (d) and adding Subsections (d-1), (d-2), and (d-3) to
17 read as follows:

18 (d) This subsection does not apply to a special panel
19 established under Section 6.425. An appraisal review board
20 consisting of more than three members may sit in panels of not fewer
21 than three members to conduct protest hearings. [~~However, the~~
22 ~~determination of a protest heard by a panel must be made by the~~
23 ~~board.~~] If the recommendation of a panel is not accepted by the
24 board, the board may refer the matter for rehearing to a panel
25 composed of members who did not hear the original protest [~~hearing~~]
26 or, if there are not at least three members who did not hear the
27 original protest, the board may determine the protest. [~~Before~~

1 ~~determining a protest or conducting a rehearing before a new panel~~
2 ~~or the board, the board shall deliver notice of the hearing or~~
3 ~~meeting to determine the protest in accordance with the provisions~~
4 ~~of this subchapter.]~~

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

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

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

23 SECTION 37. Section 41.46(a), Tax Code, is amended to read
24 as follows:

25 (a) The appraisal review board before which a protest
26 hearing is scheduled shall deliver written notice to the property
27 owner initiating a protest of the date, time, ~~and~~ place, and

1 subject matter of [~~fixed for~~] the hearing on the protest and of the
2 property owner's entitlement to a postponement of the hearing as
3 provided by Section 41.45 unless the property owner waives in
4 writing notice of the hearing. The board shall deliver the notice
5 not later than the 15th day before the date of the hearing.

6 SECTION 38. Section 41.461, Tax Code, is amended to read as
7 follows:

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

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

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

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

23 (b) The chief appraiser may not charge the property owner or
24 the designated agent of the owner for copies provided to the [~~an~~]
25 owner or designated agent under this section, regardless of the
26 manner in which the copies are prepared or delivered [~~may not exceed~~
27 ~~the charge for copies of public information as provided under~~

1 ~~Subchapter F, Chapter 552, Government Code, except:~~

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

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

9 (c) The chief appraiser shall provide the property owner or
10 the agent of the owner access to the information to which the owner
11 or agent is entitled on request under Subsection (a)(2) by:

12 (1) depositing a copy of the information in the mail as
13 regular first-class mail, postage prepaid, properly addressed to
14 the property owner or the agent of the owner;

15 (2) providing a copy of the information to the
16 property owner or the agent of the owner if requested by the owner
17 or the agent in person at the appraisal office;

18 (3) delivering the information in an electronic format
19 as provided by an agreement under Section 1.085; or

20 (4) subject to Subsection (d), referring the property
21 owner or the agent of the owner to the exact Internet location or
22 uniform resource locator (URL) address of a secure Internet website
23 that provides for user registration and authentication and that is
24 maintained by the appraisal district on which the information is
25 identifiable and readily available.

26 (d) If the chief appraiser provides the property owner or
27 the agent of the owner access to information by referring the owner

1 or agent to an Internet website as authorized by Subsection (c)(4),
2 the notice referring the owner or agent to the website must contain
3 a statement in a conspicuous font that clearly indicates that the
4 owner or agent may on request receive a copy of the information by
5 regular first-class mail. On request of the property owner or the
6 agent of the owner, the chief appraiser shall deposit a copy of the
7 information in the mail as regular first-class mail in the manner
8 provided by Subsection (c)(1).

9 SECTION 39. Section 41.47, Tax Code, is amended by adding
10 Subsections (c-2) and (f) and amending Subsection (e) to read as
11 follows:

12 (c-2) The board may not determine the appraised value of the
13 property that is the subject of a protest to be an amount greater
14 than the appraised value of the property as shown in the appraisal
15 records submitted to the board by the chief appraiser under Section
16 25.22 or 25.23.

17 (e) The notice of the issuance of the order must contain a
18 prominently printed statement in upper-case bold lettering
19 informing the property owner in clear and concise language of the
20 property owner's right to appeal the order of the board [~~board's~~
21 ~~decision~~] to district court. The statement must describe the
22 deadline prescribed by Section 42.06(a) [~~of this code~~] for filing a
23 written notice of appeal[~~r~~] and the deadline prescribed by Section
24 42.21(a) [~~of this code~~] for filing the petition for review with the
25 district court.

26 (f) The board shall take the actions required by Subsections
27 (a) and (d) not later than the 20th business day after the date the

1 hearing on the protest is concluded.

2 SECTION 40. Section 41.66, Tax Code, is amended by amending
3 Subsections (h), (i), (j), and (k) and adding Subsections (j-1),
4 (k-1), and (p) to read as follows:

5 (h) The appraisal review board shall postpone a hearing on a
6 protest if the property owner or the designated agent of the owner
7 requests additional time to prepare for the hearing and establishes
8 to the board that the chief appraiser failed to comply with Section
9 41.461. The board is not required to postpone a hearing more than
10 one time under this subsection.

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

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

1 20 properties filed by the same property owner or the designated
2 agent of the owner and may use different panels to conduct the
3 hearings based on the board's customary scheduling. The appraisal
4 review board may follow the practices customarily used by the board
5 in the scheduling of hearings under this subsection.

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

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

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

14 (k-1) On the request of a property owner, an appraisal
15 review board to which Section 6.425 applies shall assign a protest
16 relating to property described by Section 6.425(b) to a special
17 panel. In addition, the chairman of the appraisal review board may
18 assign a protest relating to property not described by Section
19 6.425(b) to a special panel as authorized by Section 6.425(f).
20 Protests assigned to special panels shall be randomly assigned to
21 those panels. If a protest is scheduled to be heard by a particular
22 special panel, the protest may not be reassigned to another special
23 panel without the consent of the property owner or designated
24 agent. If the board has cause to reassign a protest to another
25 special panel, a property owner or designated agent may agree to
26 reassignment of the protest or may request that the hearing on the
27 protest be postponed. The board shall postpone the hearing on that

1 request. A change of members of a special panel because of a
2 conflict of interest, illness, or inability to continue
3 participating in hearings for the remainder of the day does not
4 constitute reassignment of a protest to another special panel.

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

10 SECTION 41. Section 41.67(d), Tax Code, is amended to read
11 as follows:

12 (d) Information that was [~~previously~~] requested under
13 Section 41.461 by the protesting party at least five days before the
14 date of the hearing to which [~~that was not made available to~~] the
15 protesting party was not provided access [~~at least 14 days~~] before
16 the [~~scheduled or postponed~~] hearing may not be used or offered in
17 any form as evidence in the hearing, including as a document or
18 through argument or testimony.

19 SECTION 42. Section 41.71, Tax Code, is amended to read as
20 follows:

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

25 (b) The board may not schedule:

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

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

2 SECTION 43. Section 41A.06(b), Tax Code, as effective
3 September 1, 2017, is amended to read as follows:

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

6 (1) meet the following requirements, as applicable:

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

8 (B) have:

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

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

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

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

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

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

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

27 (4) agree to conduct an arbitration for a fee that is

1 not more than:

2 (A) \$400, if the property qualifies as the
3 owner's residence homestead under Section 11.13 and the appraised
4 or market value, as applicable, of the property is \$500,000 or less,
5 as determined by the order;

6 (B) \$450, if the property qualifies as the
7 owner's residence homestead under Section 11.13 and the appraised
8 or market value, as applicable, of the property is more than
9 \$500,000, as determined by the order;

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

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

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

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

1 SECTION 44. Section [41A.061\(b\)](#), Tax Code, is amended to
2 read as follows:

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

5 (1) file a renewal application with the comptroller at
6 the time and in the manner prescribed by the comptroller;

7 (2) continue to meet the requirements provided by
8 Sections [41A.06\(b\)\(1\)](#) and [\(4\)](#) [~~Section [41A.06\(b\)](#)~~]; and

9 (3) during the preceding two years have completed at
10 least eight hours of continuing education in arbitration and
11 alternative dispute resolution procedures offered by a university,
12 college, real estate trade association, or legal association.

13 SECTION 45. Section [41A.09\(b\)](#), Tax Code, is amended to read
14 as follows:

15 (b) An award under this section:

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

19 (2) may include any remedy or relief a court may order
20 under Chapter [42](#) in an appeal relating to the appraised or market
21 value of property;

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

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

27 (5) may be enforced in the manner provided by

1 Subchapter D, Chapter 171, Civil Practice and Remedies Code.

2 SECTION 46. Section 45.105(e), Education Code, is amended
3 to read as follows:

4 (e) The governing body of an independent school district
5 that governs a junior college district under Subchapter B, Chapter
6 130, in a county with a population of more than two million may
7 dedicate a specific percentage of the local tax levy to the use of
8 the junior college district for facilities and equipment or for the
9 maintenance and operating expenses of the junior college district.
10 To be effective, the dedication must be made by the governing body
11 on or before the date on which the governing body adopts its tax
12 rate for a year. The amount of local tax funds derived from the
13 percentage of the local tax levy dedicated to a junior college
14 district from a tax levy may not exceed the amount that would be
15 levied by five percent of the no-new-revenue [~~effective~~] tax rate
16 for the tax year calculated as provided by Section 26.04, Tax Code,
17 on all property taxable by the school district. All real property
18 purchased with these funds is the property of the school district,
19 but is subject to the exclusive control of the governing body of the
20 junior college district for as long as the junior college district
21 uses the property for educational purposes.

22 SECTION 47. Section 403.302(o), Government Code, is amended
23 to read as follows:

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

1 SECTION 48. Section 102.007(d), Local Government Code, is
2 amended to read as follows:

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

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

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

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

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

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

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

4 (A) the property tax rate;

5 (B) the no-new-revenue [~~effective~~] tax rate;

6 (C) the no-new-revenue [~~effective~~] maintenance
7 and operations tax rate;

8 (D) the rollback tax rate; and

9 (E) the debt rate; and

10 (4) the total amount of municipal debt obligations.

11 SECTION 49. Section [111.008\(d\)](#), Local Government Code, is
12 amended to read as follows:

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

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

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

24 (B) "This budget will raise less revenue from
25 property taxes than last year's budget by an amount of (insert total
26 dollar amount of decrease), which is a (insert percentage decrease)
27 percent decrease from last year's budget. The property tax revenue

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

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

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

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

14 (A) the property tax rate;

15 (B) the no-new-revenue [~~effective~~] tax rate;

16 (C) the no-new-revenue [~~effective~~] maintenance
17 and operations tax rate;

18 (D) the rollback tax rate; and

19 (E) the debt rate; and

20 (4) the total amount of county debt obligations.

21 SECTION 50. Section [111.039\(d\)](#), Local Government Code, is
22 amended to read as follows:

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

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

27 (A) "This budget will raise more revenue from

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

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

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

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

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

24 (A) the property tax rate;

25 (B) the no-new-revenue [~~effective~~] tax rate;

26 (C) the no-new-revenue [~~effective~~] maintenance
27 and operations tax rate;

1 (D) the rollback tax rate; and

2 (E) the debt rate; and

3 (4) the total amount of county debt obligations.

4 SECTION 51. Section 111.068(c), Local Government Code, is
5 amended to read as follows:

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

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

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

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

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

1 tax rate by the value of new property added to the roll).";

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

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

7 (A) the property tax rate;

8 (B) the no-new-revenue [~~effective~~] tax rate;

9 (C) the no-new-revenue [~~effective~~] maintenance
10 and operations tax rate;

11 (D) the rollback tax rate; and

12 (E) the debt rate; and

13 (4) the total amount of county debt obligations.

14 SECTION 52. Sections 140.010(a), (d), (e), and (f), Local
15 Government Code, are amended to read as follows:

16 (a) In this section, "no-new-revenue [~~effective~~] tax rate"
17 and "rollback tax rate" mean the no-new-revenue [~~effective~~] tax
18 rate and rollback tax rate of a county or municipality, as
19 applicable, as calculated under Chapter 26, Tax Code.

20 (d) A county or municipality that proposes a property tax
21 rate that does not exceed the lower of the no-new-revenue
22 [~~effective~~] tax rate or the rollback tax rate shall provide the
23 following notice:

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

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

1 PROPOSED TAX RATE \$_____ per \$100

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

3 NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE \$_____ per \$100

4 "The no-new-revenue [~~effective~~] tax rate is the total tax rate
5 needed to raise the same amount of property tax revenue for (insert
6 name of county or municipality) from the same properties in both the
7 (insert preceding tax year) tax year and the (insert current tax
8 year) tax year.

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

11 property tax amount = (rate) x (taxable value of your property) /
12 100

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

15 (insert name of county or municipal tax assessor-collector)
16 (insert name of county or municipality) tax
17 assessor-collector
18 (insert address)
19 (insert telephone number)
20 (insert e-mail address)
21 (insert Internet website address[~~, if applicable~~])"

22 (e) A county or municipality that proposes a property tax
23 rate that exceeds the lower of the no-new-revenue [~~effective~~] tax
24 rate or the rollback tax rate shall provide the following notice:

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

27 "A tax rate of \$_____ per \$100 valuation has been proposed for

1 adoption by the governing body of (insert name of county or
2 municipality). This rate exceeds the lower of the no-new-revenue
3 [~~effective~~] or rollback tax rate, and state law requires that two
4 public hearings be held by the governing body before adopting the
5 proposed tax rate. The governing body of (insert name of county or
6 municipality) proposes to use revenue attributable to the tax rate
7 increase for the purpose of (description of purpose of increase).

8	PROPOSED TAX RATE	\$_____ per \$100
9	PRECEDING YEAR'S TAX RATE	\$_____ per \$100
10	<u>NO-NEW-REVENUE</u> [EFFECTIVE] TAX RATE	\$_____ per \$100
11	ROLLBACK TAX RATE	\$_____ per \$100

12 "The no-new-revenue [~~effective~~] tax rate is the total tax rate
13 needed to raise the same amount of property tax revenue for (insert
14 name of county or municipality) from the same properties in both the
15 (insert preceding tax year) tax year and the (insert current tax
16 year) tax year.

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

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

23
$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) /$$

24
$$100$$

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

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

1 (insert name of county or municipality) tax
2 assessor-collector

3 (insert address)

4 (insert telephone number)

5 (insert e-mail address)

6 (insert Internet website address[~~, if applicable~~])

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

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

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

13 (f) A county or municipality shall:

14 (1) provide the notice required by Subsection (d) or
15 (e), as applicable, not later than the later of September 1 or the
16 30th day after the first date that the taxing unit has received each
17 applicable certified appraisal roll by:

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

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

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

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

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

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

3 (2) post the notice prominently on the home page of the
4 Internet website of the county or municipality [~~, if applicable,~~]
5 beginning not later than the later of September 1 or the 30th day
6 after the first date that the taxing unit has received each
7 applicable certified appraisal roll and continuing until the county
8 or municipality adopts a tax rate.

9 SECTION 53. Section 8876.152(b), Special District Local
10 Laws Code, is amended to read as follows:

11 (b) Sections 49.236(a)(1) and (2) and (b) [~~Section 49.236~~],
12 Water Code, apply [~~as added by Chapter 248 (H.B. 1541), Acts of the~~
13 ~~78th Legislature, Regular Session, 2003, applies~~] to the district.

14 SECTION 54. Section 49.236(a), Water Code, as added by
15 Chapter 335 (S.B. 392), Acts of the 78th Legislature, Regular
16 Session, 2003, is amended to read as follows:

17 (a) Before the board adopts an ad valorem tax rate for the
18 district for debt service, operation and maintenance purposes, or
19 contract purposes, the board shall give notice of each meeting of
20 the board at which the adoption of a tax rate will be considered.
21 The notice must:

22 (1) contain a statement in substantially the following
23 form:

24 "NOTICE OF PUBLIC HEARING ON TAX RATE

25 "The (name of the district) will hold a public hearing on a
26 proposed tax rate for the tax year (year of tax levy) on (date and
27 time) at (meeting place). Your individual taxes may increase at a

1 greater or lesser rate, or even decrease, depending on the tax rate
2 that is adopted and on the change in the taxable value of your
3 property in relation to the change in taxable value of all other
4 property [~~and the tax rate that is adopted~~]. The change in the
5 taxable value of your property in relation to the change in the
6 taxable value of all other property determines the distribution of
7 the tax burden among all property owners.

8 "(Names of all board members and, if a vote was taken, an
9 indication of how each voted on the proposed tax rate and an
10 indication of any absences.)";

11 (2) contain the following information:

12 (A) the district's total adopted tax rate for the
13 preceding year and the proposed tax rate, expressed as an amount per
14 \$100;

15 (B) the difference, expressed as an amount per
16 \$100 and as a percent increase or decrease, as applicable, in the
17 proposed tax rate compared to the adopted tax rate for the preceding
18 year;

19 (C) the average appraised value of a residence
20 homestead in the district in the preceding year and in the current
21 year; the district's total homestead exemption, other than an
22 exemption available only to disabled persons or persons 65 years of
23 age or older, applicable to that appraised value in each of those
24 years; and the average taxable value of a residence homestead in
25 the district in each of those years, disregarding any homestead
26 exemption available only to disabled persons or persons 65 years of
27 age or older;

1 (D) the amount of tax that would have been
2 imposed by the district in the preceding year on a residence
3 homestead appraised at the average appraised value of a residence
4 homestead in that year, disregarding any homestead exemption
5 available only to disabled persons or persons 65 years of age or
6 older;

7 (E) the amount of tax that would be imposed by the
8 district in the current year on a residence homestead appraised at
9 the average appraised value of a residence homestead in that year,
10 disregarding any homestead exemption available only to disabled
11 persons or persons 65 years of age or older, if the proposed tax
12 rate is adopted; ~~and~~

13 (F) the difference between the amounts of tax
14 calculated under Paragraphs (D) and (E), expressed in dollars and
15 cents and described as the annual percentage increase or decrease,
16 as applicable, in the tax to be imposed by the district on the
17 average residence homestead in the district in the current year if
18 the proposed tax rate is adopted; and

19 (G) if the proposed combined debt service,
20 operation and maintenance, and contract tax rate would authorize
21 the qualified voters of the district by petition to require a
22 rollback election to be held in the district, a description of the
23 purpose of the proposed tax increase; and

24 (3) contain a statement in substantially the following
25 form:

26 "NOTICE OF TAXPAYERS' RIGHT TO ROLLBACK ELECTION

27 "If taxes on the average residence homestead increase by more

1 than eight percent, the qualified voters of the district by
2 petition may require that an election be held to determine whether
3 to reduce the operation and maintenance tax rate to the rollback tax
4 rate under Section 49.236(d), Water Code."

5 SECTION 55. The following provisions are repealed:

6 (1) Sections 403.302(m-1) and (n), Government Code;

7 (2) Sections 5.103(e) and (f), Tax Code;

8 (3) Section 6.412(e), Tax Code;

9 (4) Section 41A.06(c), Tax Code;

10 (5) Section 49.236, Water Code, as added by Chapter
11 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session,
12 2003; and

13 (6) Section 49.2361, Water Code.

14 SECTION 56. Section 5.041, Tax Code, as amended by this Act,
15 applies only to an appraisal review board member appointed to serve
16 a term of office that begins on or after January 1, 2018.

17 SECTION 57. The comptroller shall implement Section 5.043,
18 Tax Code, as added by this Act, as soon as practicable after January
19 1, 2018.

20 SECTION 58. (a) The comptroller shall comply with Sections
21 5.07(f), (g), (h), and (i), Tax Code, as added by this Act, as soon
22 as practicable after January 1, 2018.

23 (b) The comptroller shall comply with Section 5.091, Tax
24 Code, as amended by this Act, not later than January 1, 2021.

25 SECTION 59. The comptroller shall prepare and make
26 available the survey form and instructions for completing and
27 submitting the form required by Section 5.104, Tax Code, as added by

1 this Act, as soon as practicable after January 1, 2018. An
2 appraisal district is not required to provide the survey form or
3 instructions under a requirement of that section until the form and
4 instructions are prepared and made available by the comptroller.

5 SECTION 60. Section 6.41(d-9), Tax Code, as amended by this
6 Act, applies only to the appointment of appraisal review board
7 members to terms beginning on or after January 1, 2019.

8 SECTION 61. Section 6.412, Tax Code, as amended by this Act,
9 does not affect the eligibility of a person serving on an appraisal
10 review board immediately before January 1, 2018, to continue to
11 serve on the board for the term to which the member was appointed.

12 SECTION 62. Section 6.42(d), Tax Code, as added by this Act,
13 applies only to a recommendation, determination, decision, or other
14 action by an appraisal review board or a panel of such a board on or
15 after January 1, 2018. A recommendation, determination, decision,
16 or other action by an appraisal review board or a panel of such a
17 board before January 1, 2018, is governed by the law as it existed
18 immediately before that date, and that law is continued in effect
19 for that purpose.

20 SECTION 63. (a) An appraisal district established in a
21 county with a population of 120,000 or more and each taxing unit
22 located wholly or partly in such an appraisal district shall comply
23 with Sections 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18,
24 Tax Code, as added by this Act, beginning with the 2019 tax year.

25 (b) An appraisal district established in a county with a
26 population of less than 120,000 and each taxing unit located wholly
27 in such an appraisal district shall comply with Sections

1 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18, Tax Code, as
2 added by this Act, beginning with the 2020 tax year.

3 SECTION 64. A taxing unit that does not own, operate, or
4 control an Internet website is not required to comply with Sections
5 26.05(b)(2) and 26.065(b), Tax Code, as amended by this Act, until
6 the first tax year in which the unit is required by law to maintain
7 or have access to an Internet website.

8 SECTION 65. (a) Except as provided by Subsections (b) and
9 (c) of this section, the changes in law made by this Act to Chapter
10 41, Tax Code, apply only to a protest for which the notice of
11 protest was filed by a property owner or the designated agent of the
12 owner with the appraisal review board established for an appraisal
13 district on or after January 1, 2018.

14 (b) Section 41.03(a), Tax Code, as amended by this Act,
15 applies only to a challenge under Chapter 41, Tax Code, for which a
16 challenge petition is filed on or after January 1, 2018. A
17 challenge under Chapter 41, Tax Code, for which a challenge
18 petition was filed before January 1, 2018, is governed by the law in
19 effect on the date the challenge petition was filed, and the former
20 law is continued in effect for that purpose.

21 (c) Sections 41.45 and 41.66, Tax Code, as amended by this
22 Act, apply only to a protest filed under Chapter 41, Tax Code, on or
23 after January 1, 2019. A protest filed under that chapter before
24 January 1, 2019, is governed by the law in effect on the date the
25 protest was filed, and the former law is continued in effect for
26 that purpose.

27 SECTION 66. The changes in law made by this Act in the

1 qualifications of persons serving as arbitrators in binding
2 arbitrations of appeals of appraisal review board orders do not
3 affect the entitlement of a person serving as an arbitrator
4 immediately before January 1, 2018, to continue to serve as an
5 arbitrator and to conduct hearings on arbitrations until the person
6 is required to renew the person's agreement with the comptroller to
7 serve as an arbitrator. The changes in law apply only to a person
8 who initially qualifies to serve as an arbitrator or who renews the
9 person's agreement with the comptroller to serve as an arbitrator
10 on or after January 1, 2018. This Act does not prohibit a person who
11 is serving as an arbitrator on January 1, 2018, from renewing the
12 person's agreement with the comptroller to serve as an arbitrator
13 if the person has the qualifications required for an arbitrator
14 under the Tax Code as amended by this Act.

15 SECTION 67. (a) Except as otherwise provided by this Act,
16 this Act takes effect January 1, 2018.

17 (b) The following provisions take effect September 1, 2018:

18 (1) Sections 6.41(b) and (d-9), Tax Code, as amended
19 by this Act;

20 (2) Sections 6.41(b-1), (b-2), and (d-10), Tax Code,
21 as added by this Act;

22 (3) Section 6.414(d), Tax Code, as amended by this
23 Act;

24 (4) Section 6.425, Tax Code, as added by this Act;

25 (5) Section 41.44(d), Tax Code, as amended by this
26 Act;

27 (6) Section 41.45(d), Tax Code, as amended by this

1 Act;

2 (7) Sections 41.45(d-1), (d-2), and (d-3), Tax Code,
3 as added by this Act;

4 (8) Section 41.66(k), Tax Code, as amended by this
5 Act; and

6 (9) Section 41.66(k-1), Tax Code, as added by this
7 Act.

8 (c) The following provisions take effect January 1, 2019:

9 (1) Sections 26.04(d-1), (d-2), (e-2), (e-3), and
10 (e-4), Tax Code, as added by this Act;

11 (2) Sections 26.04(e-1) and (g), Tax Code, as amended
12 by this Act;

13 (3) Sections 26.05(d-1) and (d-2), Tax Code, as added
14 by this Act; and

15 (4) Section 26.05(e), Tax Code, as amended by this
16 Act.