

By: Bettencourt

S.B. No. 96

A BILL TO BE ENTITLED

AN ACT

relating to ad valorem taxation.

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

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

SECTION 2. Chapter 5, Tax Code, is amended by adding Section 5.01 to read as follows:

Sec. 5.01. PROPERTY TAX ADMINISTRATION ADVISORY BOARD.

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

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

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

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

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

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

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

9 SECTION 3. Section 5.05, Tax Code, is amended by adding
10 Subsection (c-1) to read as follows:

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

14 SECTION 4. Section 5.07, Tax Code, is amended by adding
15 Subsections (f), (g), (h), and (i) to read as follows:

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

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

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

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

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

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

13 (h) For purposes of Subsections (f) and (g), the comptroller
14 shall use the forms published on the comptroller's Internet website
15 as of January 1, 2017, as modified as necessary to comply with the
16 requirements of those subsections. The forms may be updated at the
17 discretion of the comptroller to reflect any change in the values
18 used to calculate a tax rate, including the changes resulting from
19 the implementation in the 2018 tax year of S.B. 1, Acts of the 85th
20 Legislature, 1st Called Session, 2017, or similar legislation
21 enacted at that session, or a change in a subsequent tax year
22 resulting from a statutory change in a value used to calculate a tax
23 rate. The forms may also be updated at the discretion of the
24 comptroller to reflect formatting or other nonsubstantive changes.

25 (i) The comptroller may revise the forms to reflect
26 statutory changes other than those described by Subsection (h) or
27 on receipt of a request in writing. A revision under this

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

9 SECTION 5. 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 6. Sections 5.102(a) and (c), Tax Code, are amended
2 to read as 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, including compliance with standards,
9 procedures, and methodology prescribed by appraisal manuals
10 prepared and issued by the comptroller. After consultation with
11 the property tax administration advisory board [~~committee created~~
12 ~~under Section 403.302, Government Code~~], the comptroller by rule
13 may establish procedures and standards for conducting and scoring
14 the review.

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

24 (1) the appraisal district's chief appraiser and board
25 of directors; and

26 (2) the superintendent and board of trustees of each
27 school district participating in the appraisal district.

1 SECTION 7. Section 5.13(d), Tax Code, is amended to read as
2 follows:

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

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

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

14 (3) duplication of effort and efficiency of operation;

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

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

20 SECTION 8. Section 6.035(a-1), Tax Code, is amended to read
21 as follows:

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

1 SECTION 9. Section 6.05, Tax Code, is amended by adding
2 Subsection (k) to read as follows:

3 (k) The chief appraiser shall establish an office of tax
4 rate notices in the appraisal district. The office is responsible
5 for delivering the notice required by Section 26.04(e-2) and
6 creating and maintaining the database required by Section 26.17.
7 The office is administered by the tax rate officer, who is appointed
8 by and serves at the pleasure of the chief appraiser. The chief
9 appraiser may designate other personnel to assist the tax rate
10 officer in performing the functions of the office. In all
11 communications, the office must identify itself as the "(insert
12 name of county in which appraisal district is established) County
13 Office of Tax Rate Notices" rather than as the appraisal district.

14 SECTION 10. Section 6.15, Tax Code, is amended by adding
15 Subsection (c-1) to read as follows:

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

21 SECTION 11. Section 6.41, Tax Code, is amended by amending
22 Subsections (b) and (d-9) and adding Subsections (b-1), (b-2), and
23 (d-10) to read as follows:

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

26 (b-1) An appraisal [However, the] district board of
27 directors by resolution of a majority of the board's [its] members

1 may increase the size of the district's appraisal review board to
2 the number of members the board of directors considers appropriate.

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

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

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

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

23 (d) An auxiliary board member may hear taxpayer protests
24 before the appraisal review board. An auxiliary board member may
25 not hear taxpayer protests before a special panel established under
26 Section 6.425 unless the member is eligible to be appointed to the
27 special panel. If one or more auxiliary board members sit on a

1 panel established under Section 6.425 or 41.45 to conduct a protest
2 hearing, the number of regular appraisal review board members
3 required by that section to constitute the panel is reduced by the
4 number of auxiliary board members sitting. An auxiliary board
5 member sitting on a panel is considered a regular board member for
6 all purposes related to the conduct of the hearing.

7 SECTION 13. Section 6.42, Tax Code, is amended by adding
8 Subsection (d) to read as follows:

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

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

17 Sec. 6.425. SPECIAL APPRAISAL REVIEW BOARD PANELS IN
18 CERTAIN DISTRICTS. (a) This section applies only to the appraisal
19 review board for an appraisal district described by Section
20 6.41(b-2).

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

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

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

1 (A) commercial real and personal property;

2 (B) real and personal property of utilities;

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

5 (D) multifamily residential real property.

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

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

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

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

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

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

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

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

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

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

27 (e) Notwithstanding Subsection (d), the chairman of the

1 appraisal review board may appoint to a special panel described by
2 this section a member of the appraisal review board who does not
3 meet the qualifications prescribed by that subsection if:

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

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

9 (f) In addition to conducting protest hearings relating to
10 property described by Subsection (b) of this section, a special
11 panel may conduct protest hearings under Chapter 41 relating to
12 property not described by Subsection (b) of this section as
13 assigned by the chairman of the appraisal review board.

14 SECTION 15. Section 11.4391(a), Tax Code, is amended to
15 read as follows:

16 (a) The chief appraiser shall accept and approve or deny an
17 application for an exemption for freeport goods under Section
18 11.251 after the deadline for filing it has passed if it is filed
19 not later than June 1 [~~before the date the appraisal review board~~
20 ~~approves the appraisal records~~].

21 SECTION 16. Section 22.23, Tax Code, is amended to read as
22 follows:

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

27 (b) On written request by the property owner, the chief

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

5 (c) Notwithstanding any other provision of this section,
6 rendition statements and property reports for property regulated by
7 the Public Utility Commission of Texas, the Railroad Commission of
8 Texas, the federal Surface Transportation Board, or the Federal
9 Energy Regulatory Commission must be delivered to the chief
10 appraiser not later than April 30, except as provided by Section
11 22.02. The chief appraiser may extend the filing deadline 15 days
12 for good cause shown in writing by the property owner.

13 SECTION 17. Section 23.01(b), Tax Code, is amended to read
14 as follows:

15 (b) The market value of property shall be determined by the
16 application of generally accepted appraisal methods and
17 techniques, including appraisal methods and techniques prescribed
18 by appraisal manuals prepared and issued by the comptroller. If the
19 appraisal district determines the appraised value of a property
20 using mass appraisal standards, the mass appraisal standards must
21 comply with the Uniform Standards of Professional Appraisal
22 Practice. The same or similar appraisal methods and techniques
23 shall be used in appraising the same or similar kinds of property.
24 However, each property shall be appraised based upon the individual
25 characteristics that affect the property's market value, and all
26 available evidence that is specific to the value of the property
27 shall be taken into account in determining the property's market

1 value.

2 SECTION 18. Sections 25.19(a) and (g), Tax Code, are
3 amended to read as follows:

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

11 (1) the appraised value of the property is greater
12 than it was in the preceding year;

13 (2) the appraised value of the property is greater
14 than the value rendered by the property owner;

15 (3) the property was not on the appraisal roll in the
16 preceding year; or

17 (4) an exemption or partial exemption approved for the
18 property for the preceding year was canceled or reduced for the
19 current year.

20 (g) By April 15 [1] or as soon thereafter as practicable [~~if~~
21 ~~the property is a single-family residence that qualifies for an~~
22 ~~exemption under Section 11.13, or by May 1 or as soon thereafter as~~
23 ~~practicable in connection with any other property~~], the chief
24 appraiser shall deliver a written notice to the owner of each
25 property not included in a notice required to be delivered under
26 Subsection (a), if the property was reappraised in the current tax
27 year, if the ownership of the property changed during the preceding

1 year, or if the property owner or the agent of a property owner
2 authorized under Section 1.111 makes a written request for the
3 notice. The chief appraiser shall separate real from personal
4 property and include in the notice for each property:

5 (1) the appraised value of the property in the
6 preceding year;

7 (2) the appraised value of the property for the
8 current year and the kind of each partial exemption, if any,
9 approved for the current year;

10 (3) a detailed explanation of the time and procedure
11 for protesting the value; and

12 (4) the date and place the appraisal review board will
13 begin hearing protests.

14 SECTION 19. Effective January 1, 2019, Section 25.19, Tax
15 Code, is amended by adding Subsections (b-3) and (b-4) to read as
16 follows:

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

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

27 SECTION 20. Effective January 1, 2020, Sections 25.19(b)

1 and (i), Tax Code, are amended to read as follows:

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

4 (1) a list of the taxing units in which the property is
5 taxable;

6 (2) the appraised value of the property in the
7 preceding year;

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

10 (4) the appraised value of the property for the
11 current year, the kind and amount of each exemption and partial
12 exemption, if any, approved for the property for the current year
13 and for the preceding year, and, if an exemption or partial
14 exemption that was approved for the preceding year was canceled or
15 reduced for the current year, the amount of the exemption or partial
16 exemption canceled or reduced;

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

20 [~~6~~] in italic typeface, the following
21 statement: "The Texas Legislature does not set the amount of your
22 local taxes. Your property tax burden is decided by your locally
23 elected officials, and all inquiries concerning your taxes should
24 be directed to those officials";

25 (6) [~~7~~] a detailed explanation of the time and
26 procedure for protesting the value;

27 (7) [~~8~~] the date and place the appraisal review

1 board will begin hearing protests; and

2 (8) [~~(9)~~] a brief explanation that the governing body
3 of each taxing unit decides whether or not taxes on the property
4 will increase and the appraisal district only determines the value
5 of the property.

6 (i) Delivery with a notice required by Subsection (a) or (g)
7 of a copy of the pamphlet published by the comptroller under Section
8 5.06 or a copy of the notice published by the chief appraiser under
9 Section 41.70 is sufficient to comply with the requirement that the
10 notice include the information specified by Subsection (b)(6)
11 [~~(b)(7)~~] or (g)(3), as applicable.

12 SECTION 21. Section 25.22(a), Tax Code, is amended to read
13 as follows:

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

23 SECTION 22. Sections 26.01(a) and (e), Tax Code, are
24 amended to read as follows:

25 (a) By July 10 [~~25~~], the chief appraiser shall prepare and
26 certify to the assessor for each taxing unit participating in the
27 district that part of the appraisal roll for the district that lists

1 the property taxable by the unit. The part certified to the
2 assessor is the appraisal roll for the unit. The chief appraiser
3 shall consult with the assessor for each taxing unit and notify each
4 unit in writing by April 1 of the form in which the roll will be
5 provided to each unit.

6 (e) Except as provided by Subsection (f), not later than May
7 15 [~~April 30~~], the chief appraiser shall prepare and certify to the
8 assessor for each county, municipality, and school district
9 participating in the appraisal district an estimate of the taxable
10 value of property in that taxing unit. The chief appraiser shall
11 assist each county, municipality, and school district in
12 determining values of property in that taxing unit for the taxing
13 unit's budgetary purposes.

14 SECTION 23. Section 26.012, Tax Code, is amended by
15 amending Subdivisions (9) and (10) and adding Subdivision (19) to
16 read as follows:

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

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

24 (10) "Excess collections" means the amount, if any, by
25 which debt taxes collected in the preceding year exceeded the
26 amount anticipated in the preceding year's calculation of the
27 rollback tax rate, as certified by the collector under Section

1 26.04(b) [~~of this code~~].

2 (19) "Small taxing unit" means a taxing unit, other
3 than a school district, for which the total tax rate proposed for
4 the current tax year:

5 (A) is two cents or less per \$100 of taxable
6 value; or

7 (B) would impose taxes of \$20 million or less
8 when applied to the current total value for the taxing unit.

9 SECTION 24. The heading to Section 26.04, Tax Code, is
10 amended to read as follows:

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

13 SECTION 25. Section 26.04, Tax Code, is amended by amending
14 Subsections (b), (c), (d), (e), (e-1), (f), (g), (i), and (j) and
15 adding Subsections (c-1), (d-1), (d-2), (d-3), (e-2), (e-3), (e-4),
16 (e-5), (h-1), and (h-2) to read as follows:

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

1 collector shall also certify the amount of debt taxes collected in
2 excess of the anticipated amount in the preceding year.

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

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

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

14 ; and

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

18 (A) for a small taxing unit:

19 ROLLBACK TAX RATE = (EQUIVALENT [~~EFFECTIVE~~]
20 MAINTENANCE AND OPERATIONS RATE x 1.08) + CURRENT DEBT
21 RATE

22 ; or

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

25 ROLLBACK TAX RATE = (EQUIVALENT MAINTENANCE AND
26 OPERATIONS RATE x 1.04) + CURRENT DEBT RATE

27 (c-1) Notwithstanding any other provision of this section,

1 the governing body of a taxing unit other than a small taxing unit
2 may direct the designated officer or employee to calculate the
3 rollback tax rate of the unit in the manner provided for a small
4 taxing unit if any part of the unit is located in an area declared a
5 disaster area during the current tax year by the governor or by the
6 president of the United States.

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

12 (d-1) The designated officer or employee shall use the tax
13 rate calculation forms prescribed by the comptroller under Section
14 5.07 in calculating the equivalent tax rate and the rollback tax
15 rate.

16 (d-2) The designated officer or employee may not submit the
17 equivalent tax rate and the rollback tax rate to the governing body
18 of the taxing unit and the unit may not adopt a tax rate until the
19 designated officer or employee certifies on the tax rate
20 calculation forms that the designated officer or employee has
21 accurately calculated the tax rates and has used values that are the
22 same as the values shown in the unit's certified appraisal roll in
23 performing the calculations.

24 (d-3) As soon as practicable after the designated officer or
25 employee calculates the equivalent tax rate and the rollback tax
26 rate of the taxing unit, the designated officer or employee shall
27 submit the worksheets used in calculating the rates to the county

1 assessor-collector for each county in which all or part of the
2 territory of the unit is located.

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

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

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

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

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

27 (B) the amount by which taxes imposed for debt

1 are to be increased because of the unit's anticipated collection
2 rate; and

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

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

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

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

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

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

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

27 (7) in the year following the year in which a taxing

1 unit raised its rollback tax rate as required by Subsection (j), a
2 schedule that includes the following elements:

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

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

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

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

21 (1) the following statement:

22 "PROPOSED (tax year) PROPERTY TAX BILL INFORMATION

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

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

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

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

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

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

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

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 equivalent
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 tax rate officer 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 26.16, 26.17, or 26.18 ~~[and~~
5 ~~the failure to comply was not in good faith]~~.

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

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

17 (i) This subsection applies to a taxing unit that has agreed
18 by written contract to transfer a distinct department, function, or
19 activity to another taxing unit and discontinues operating that
20 distinct department, function, or activity if the operation of that
21 department, function, or activity in all or a majority of the
22 territory of the taxing unit is continued by another existing
23 taxing unit or by a new taxing unit. The rollback tax rate of a
24 taxing unit to which this subsection applies in the first tax year
25 in which a budget is adopted that does not allocate revenue to the
26 discontinued department, function, or activity is calculated as
27 otherwise provided by this section, except that last year's levy

1 used to calculate the equivalent [~~effective~~] maintenance and
2 operations rate of the unit is reduced by the amount of maintenance
3 and operations tax revenue spent by the taxing unit to operate the
4 department, function, or activity for the 12 months preceding the
5 month in which the calculations required by this chapter are made
6 and in which the unit operated the discontinued department,
7 function, or activity. If the unit did not operate that department,
8 function, or activity for the full 12 months preceding the month in
9 which the calculations required by this chapter are made, the unit
10 shall reduce last year's levy used for calculating the equivalent
11 [~~effective~~] maintenance and operations rate of the unit by the
12 amount of the revenue spent in the last full fiscal year in which
13 the unit operated the discontinued department, function, or
14 activity.

15 (j) This subsection applies to a taxing unit that had agreed
16 by written contract to accept the transfer of a distinct
17 department, function, or activity from another taxing unit and
18 operates a distinct department, function, or activity if the
19 operation of a substantially similar department, function, or
20 activity in all or a majority of the territory of the taxing unit
21 has been discontinued by another taxing unit, including a dissolved
22 taxing unit. The rollback tax rate of a taxing unit to which this
23 subsection applies in the first tax year after the other taxing unit
24 discontinued the substantially similar department, function, or
25 activity in which a budget is adopted that allocates revenue to the
26 department, function, or activity is calculated as otherwise
27 provided by this section, except that last year's levy used to

1 calculate the equivalent [~~effective~~] maintenance and operations
 2 rate of the unit is increased by the amount of maintenance and
 3 operations tax revenue spent by the taxing unit that discontinued
 4 operating the substantially similar department, function, or
 5 activity to operate that department, function, or activity for the
 6 12 months preceding the month in which the calculations required by
 7 this chapter are made and in which the unit operated the
 8 discontinued department, function, or activity. If the unit did
 9 not operate the discontinued department, function, or activity for
 10 the full 12 months preceding the month in which the calculations
 11 required by this chapter are made, the unit may increase last year's
 12 levy used to calculate the equivalent [~~effective~~] maintenance and
 13 operations rate by an amount not to exceed the amount of property
 14 tax revenue spent by the discontinuing unit to operate the
 15 discontinued department, function, or activity in the last full
 16 fiscal year in which the discontinuing unit operated the
 17 department, function, or activity.

18 SECTION 26. Section 26.041, Tax Code, is amended by
 19 amending Subsections (a), (b), (c), (e), (g), and (h) and adding
 20 Subsection (c-1) to read as follows:

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

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

1 and

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

5 or

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

9 where "sales tax gain rate" means a number expressed in dollars per
 10 \$100 of taxable value, calculated by dividing the revenue that will
 11 be generated by the additional sales and use tax in the following
 12 year as calculated under Subsection (d) [~~of this section~~] by the
 13 current total value.

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

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

23 or

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

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

2 where "last year's maintenance and operations expense" means the
 3 amount spent for maintenance and operations from property tax and
 4 additional sales and use tax revenues in the preceding year, and
 5 "sales tax revenue rate" means a number expressed in dollars per
 6 \$100 of taxable value, calculated by dividing the revenue that will
 7 be generated by the additional sales and use tax in the current year
 8 as calculated under Subsection (d) [~~of this section~~] by the current
 9 total value.

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

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

18 [~~and~~]

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

23 and

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

1 VALUE)] + CURRENT DEBT RATE

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

9 (c-1) Notwithstanding any other provision of this section,
10 the governing body of a taxing unit other than a small taxing unit
11 may direct the designated officer or employee to calculate the
12 rollback tax rate of the unit in the manner provided for a small
13 taxing unit if any part of the unit is located in an area declared a
14 disaster area during the current tax year by the governor or by the
15 president of the United States.

16 (e) If a city that imposes an additional sales and use tax
17 receives payments under the terms of a contract executed before
18 January 1, 1986, in which the city agrees not to annex certain
19 property or a certain area and the owners or lessees of the property
20 or of property in the area agree to pay at least annually to the city
21 an amount determined by reference to all or a percentage of the
22 property tax rate of the city and all or a part of the value of the
23 property subject to the agreement or included in the area subject to
24 the agreement, the governing body, by order adopted by a majority
25 vote of the governing body, may direct the designated officer or
26 employee to add to the equivalent [~~effective~~] and rollback tax
27 rates the amount that, when applied to the total taxable value

1 submitted to the governing body, would produce an amount of taxes
2 equal to the difference between the total amount of payments for the
3 tax year under contracts described by this subsection under the
4 rollback tax rate calculated under this section and the total
5 amount of payments for the tax year that would have been obligated
6 to the city if the city had not adopted an additional sales and use
7 tax.

8 (g) If the rate of the additional sales and use tax is
9 increased, the designated officer or employee shall make two
10 projections, in the manner provided by Subsection (d) [~~of this~~
11 ~~section~~], of the revenue generated by the additional sales and use
12 tax in the following year. The first projection must take into
13 account the increase and the second projection must not take into
14 account the increase. The designated officer or employee shall
15 then subtract the amount of the result of the second projection from
16 the amount of the result of the first projection to determine the
17 revenue generated as a result of the increase in the additional
18 sales and use tax. In the first year in which an additional sales
19 and use tax is increased, the equivalent [~~effective~~] tax rate for
20 the unit is the equivalent [~~effective~~] tax rate before the increase
21 minus a number the numerator of which is the revenue generated as a
22 result of the increase in the additional sales and use tax, as
23 determined under this subsection, and the denominator of which is
24 the current total value minus the new property value.

25 (h) If the rate of the additional sales and use tax is
26 decreased, the designated officer or employee shall make two
27 projections, in the manner provided by Subsection (d) [~~of this~~

1 ~~section~~], of the revenue generated by the additional sales and use
2 tax in the following year. The first projection must take into
3 account the decrease and the second projection must not take into
4 account the decrease. The designated officer or employee shall
5 then subtract the amount of the result of the first projection from
6 the amount of the result of the second projection to determine the
7 revenue lost as a result of the decrease in the additional sales and
8 use tax. In the first year in which an additional sales and use tax
9 is decreased, the equivalent [~~effective~~] tax rate for the unit is
10 the equivalent [~~effective~~] tax rate before the decrease plus a
11 number the numerator of which is the revenue lost as a result of the
12 decrease in the additional sales and use tax, as determined under
13 this subsection, and the denominator of which is the current total
14 value minus the new property value.

15 SECTION 27. The heading to Section 26.043, Tax Code, is
16 amended to read as follows:

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

19 SECTION 28. Sections 26.043(a) and (b), Tax Code, are
20 amended to read as follows:

21 (a) In the tax year in which a city has set an election on
22 the question of whether to impose a local sales and use tax under
23 Subchapter H, Chapter 453, Transportation Code, the officer or
24 employee designated to make the calculations provided by Section
25 26.04 may not make those calculations until the outcome of the
26 election is determined. If the election is determined in favor of
27 the imposition of the tax, the representative shall subtract from

1 the city's rollback and equivalent [~~effective~~] tax rates the amount
2 that, if applied to the city's current total value, would impose an
3 amount equal to the amount of property taxes budgeted in the current
4 tax year to pay for expenses related to mass transit services.

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

8 SECTION 29. The heading to Section 26.044, Tax Code, is
9 amended to read as follows:

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

12 SECTION 30. Sections 26.044(a), (b), and (c), Tax Code, are
13 amended to read as follows:

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

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

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

27 (This Year's State Criminal Justice Mandate - Previous

1 Year's State Criminal Justice Mandate) / (Current
2 Total Value - New Property Value)

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

8 SECTION 31. Sections 26.0441(a), (b), and (c), Tax Code,
9 are amended to read as follows:

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

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

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

25 Amount of Increase = (Current Tax Year's Enhanced
26 Indigent Health Care Expenditures - Preceding Tax
27 Year's Indigent Health Care Expenditures) / (Current

1 Total Value - New Property Value)

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

8 SECTION 32. Section 26.05, Tax Code, is amended by amending
9 Subsections (a), (b), (c), (d), (e), and (g) and adding Subsections
10 (d-1), (d-2), and (e-1) to read as follows:

11 (a) The governing body of each taxing unit [~~, before the~~
12 ~~later of September 30 or the 60th day after the date the certified~~
13 ~~appraisal roll is received by the taxing unit,~~] shall adopt a tax
14 rate for the current tax year and shall notify the assessor for the
15 unit of the rate adopted. The governing body must adopt a tax rate
16 before the later of September 30 or the 60th day after the date the
17 certified appraisal roll is received by the taxing unit, except
18 that the governing body must adopt a tax rate that exceeds the
19 rollback tax rate before August 15. The tax rate consists of two
20 components, each of which must be approved separately. The
21 components are:

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

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

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 equivalent [~~effective~~] tax rate must be a record vote, and at
13 least 60 percent of the members of the governing body must vote in
14 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 equivalent [~~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 equivalent [~~effective~~] tax rate must be
23 made in the following form: "I move that the property tax rate be
24 increased by the adoption of a tax rate of (specify tax rate), which
25 is effectively a (insert percentage by which the proposed tax rate
26 exceeds the equivalent [~~effective~~] tax rate) percent increase in
27 the tax rate." If the ordinance, resolution, or order sets a tax

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

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

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

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

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

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

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

1 \$(Insert amount)."

2 (c) If the governing body of a taxing unit does not adopt a
3 tax rate before the date required by Subsection (a), the tax rate
4 for the taxing unit for that tax year is the lower of the equivalent
5 ~~[effective]~~ tax rate calculated for that tax year or the tax rate
6 adopted by the taxing unit for the preceding tax year. A tax rate
7 established by this subsection is treated as an adopted tax rate.
8 Before the fifth day after the establishment of a tax rate by this
9 subsection, the governing body of the taxing unit must ratify the
10 applicable tax rate in the manner required by Subsection (b).

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

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

27 (d-2) Notwithstanding Subsection (a), the governing body of

1 a taxing unit other than a school district may not adopt a tax rate
2 until:

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

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

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

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

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

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

1 subsequently prevails in the action, the property owner is entitled
2 to a refund of the taxes paid, together with reasonable attorney's
3 fees and court costs. The property owner is not required to apply
4 to the collector for the taxing unit to receive the refund [~~prior to~~
5 ~~the date a taxing unit delivers substantially all of its tax bills~~].

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

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

1 the certified estimate of taxable value.

2 SECTION 33. Sections 26.052(c) and (e), Tax Code, are
3 amended to read as follows:

4 (c) A taxing unit to which this section applies may provide
5 public notice of its proposed tax rate in one [~~either~~] of the
6 following methods not later than the seventh day before the date on
7 which the tax rate is adopted:

8 (1) mailing a notice of the proposed tax rate to each
9 owner of taxable property in the taxing unit; [~~or~~]

10 (2) publishing notice of the proposed tax rate in the
11 legal notices section of a newspaper having general circulation in
12 the taxing unit; or

13 (3) posting notice of the proposed tax rate
14 prominently on the home page of the Internet website maintained by
15 the taxing unit, if applicable.

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

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

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

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

1 exceeds the equivalent [effective] tax rate)."

2 SECTION 34. Section 26.06, Tax Code, is amended by amending
3 Subsections (b), (c), (d), and (e) and adding Subsections (b-1),
4 (b-2), (b-3), (b-4), (b-5), (b-6), and (b-7) to read as follows:

5 (b) The notice of a public hearing may not be smaller than
6 one-quarter page of a standard-size or a tabloid-size newspaper,
7 and the headline on the notice must be in 24-point or larger type.

8 ~~[The notice must contain a statement in the following form:~~

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

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

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

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

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

26 ~~["The average taxable value of a residence homestead in (name~~
27 ~~of taxing unit) last year was \$_____ (average taxable value of a~~

~~1 residence homestead in the taxing unit for the preceding tax year,
2 disregarding residence homestead exemptions available only to
3 disabled persons or persons 65 years of age or older). Based on
4 last year's tax rate of \$_____ (preceding year's adopted tax rate)
5 per \$100 of taxable value, the amount of taxes imposed last year on
6 the average home was \$_____ (tax on average taxable value of a
7 residence homestead in the taxing unit for the preceding tax year,
8 disregarding residence homestead exemptions available only to
9 disabled persons or persons 65 years of age or older).~~

~~10 ["The average taxable value of a residence homestead in (name
11 of taxing unit) this year is \$_____ (average taxable value of a
12 residence homestead in the taxing unit for the current tax year,
13 disregarding residence homestead exemptions available only to
14 disabled persons or persons 65 years of age or older). If the
15 governing body adopts the effective tax rate for this year of \$_____
16 (effective tax rate) per \$100 of taxable value, the amount of taxes
17 imposed this year on the average home would be \$_____ (tax on average
18 taxable value of a residence homestead in the taxing unit for the
19 current tax year, disregarding residence homestead exemptions
20 available only to disabled persons or persons 65 years of age or
21 older).~~

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

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

3 (b-1) This subsection and Subsections (b-2) and (b-3) apply
4 only to a small taxing unit. If the proposed tax rate exceeds the
5 equivalent tax rate and the rollback tax rate of the taxing unit,
6 the notice must contain a statement in the following form:

7 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

8 "PROPOSED TAX RATE \$_____ per \$100

9 "EQUIVALENT TAX RATE \$_____ per \$100

10 "ROLLBACK TAX RATE \$_____ per \$100

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

16 "The rollback tax rate is the highest tax rate that (name of
17 taxing unit) may adopt before the voters by petition may require
18 that an election be held to determine whether or not to reduce the
19 tax rate to the rollback tax rate.

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

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

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

27 "The proposed tax rate is also greater than the rollback tax

1 rate. If (name of taxing unit) adopts the proposed tax rate, the
2 voters by petition may require that an election be held to determine
3 whether or not to reduce the tax rate to the rollback tax rate. The
4 requirements for a petition may be found in Sections 26.07 and
5 26.081, Tax Code.

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

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

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

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

16 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

17 "PROPOSED TAX RATE \$_____per \$100

18 "EQUIVALENT TAX RATE \$_____per \$100

19 "ROLLBACK TAX RATE \$_____per \$100

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

25 "The rollback tax rate is the highest tax rate that (name of
26 taxing unit) may adopt before the voters by petition may require
27 that an election be held to determine whether or not to reduce the

1 tax rate to the rollback tax rate.

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

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

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

9 "The proposed tax rate is not greater than the rollback tax
10 rate. As a result, the voters may not petition for an election to be
11 held to determine whether or not to reduce the tax rate to the
12 rollback tax rate. However, you may express your support for or
13 opposition to the proposed tax rate by contacting the members of the
14 (name of governing body) of (name of taxing unit) at their offices
15 or by attending one of the public hearings mentioned above.

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

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

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

23 (b-3) If the proposed tax rate does not exceed the
24 equivalent tax rate but exceeds the rollback tax rate of the taxing
25 unit, the notice must contain a statement in the following form:

26 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

27 "PROPOSED TAX RATE \$_____ per \$100

1 "EQUIVALENT TAX RATE \$_____ per \$100

2 "ROLLBACK TAX RATE \$_____ per \$100

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

8 "The rollback tax rate is the highest tax rate that (name of
9 taxing unit) may adopt before the voters by petition may require
10 that an election be held to determine whether or not to reduce the
11 tax rate to the rollback tax rate.

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

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

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

19 "The proposed tax rate is greater than the rollback tax rate.
20 If (name of taxing unit) adopts the proposed tax rate, the voters by
21 petition may require that an election be held to determine whether
22 or not to reduce the tax rate to the rollback tax rate. The
23 requirements for a petition may be found in Sections [26.07](#) and
24 [26.081](#), Tax Code.

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

27 "Property tax amount = tax rate x taxable value of your

1 property / 100

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

5 (b-4) This subsection and Subsections (b-5) and (b-6) apply
6 only to a taxing unit other than a small taxing unit. If the
7 proposed tax rate exceeds the equivalent tax rate and the rollback
8 tax rate of the taxing unit, the notice must contain a statement in
9 the following form:

10 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

11 "PROPOSED TAX RATE \$_____per \$100

12 "EQUIVALENT TAX RATE \$_____per \$100

13 "ROLLBACK TAX RATE \$_____per \$100

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

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

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

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

27 "A second public hearing will be held on (date and time) at

1 (meeting place).

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

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

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

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

19 (b-5) If the proposed tax rate exceeds the equivalent tax
20 rate but does not exceed the rollback tax rate of the taxing unit,
21 the notice must contain a statement in the following form:

22 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

23 "PROPOSED TAX RATE \$_____ per \$100

24 "EQUIVALENT TAX RATE \$_____ per \$100

25 "ROLLBACK TAX RATE \$_____ per \$100

26 "The equivalent tax rate is the tax rate for the (current tax
27 year) tax year that will raise the same amount of property tax

1 revenue for (name of taxing unit) from the same properties in both
2 the (preceding tax year) tax year and the (current tax year) tax
3 year.

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

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

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

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

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

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

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

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

1 (b-6) If the proposed tax rate does not exceed the
2 equivalent tax rate but exceeds the rollback tax rate of the taxing
3 unit, the notice must contain a statement in the following form:

4 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

5 "PROPOSED TAX RATE \$_____ per \$100

6 "EQUIVALENT TAX RATE \$_____ per \$100

7 "ROLLBACK TAX RATE \$_____ per \$100

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

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

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

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

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

23 "The proposed tax rate is greater than the rollback tax rate.
24 If (name of taxing unit) adopts the proposed tax rate, (name of
25 taxing unit) is required to hold an election so that the voters may
26 accept or reject the proposed tax rate. If a majority of the voters
27 reject the proposed tax rate, the (name of taxing unit) will be

1 required to adopt a new tax rate that is not greater than the
2 rollback tax rate. The election will be held on (date of election).
3 You may contact the (name of office responsible for administering
4 the election) for information about voting locations. The hours of
5 voting on election day are (voting hours).

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

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

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

13 (b-7) In addition to including the information described by
14 Subsection (b-1), (b-2), (b-3), (b-4), (b-5), or (b-6), as
15 applicable, the notice must include the information described by
16 Section 26.062.

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

27 (d) At the public hearings the governing body shall announce

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

6 "NOTICE OF TAX REVENUE INCREASE

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

14 "The total tax revenue proposed to be raised last year at last
15 year's tax rate of (insert tax rate for the preceding year) for each
16 \$100 of taxable value was (insert total amount of taxes imposed in
17 the preceding year).

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

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

1 multiplying proposed tax rate by current total value).

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

6 "The (governing body of the taxing unit) proposes to use the
7 increase in total tax revenue for the purpose of (description of
8 purpose of increase)."

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

21 SECTION 35. Chapter 26, Tax Code, is amended by adding
22 Sections 26.061 and 26.062 to read as follows:

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

1 tax rate calculated as provided by this chapter.

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

5 "NOTICE OF MEETING TO VOTE ON TAX RATE

6 "PROPOSED TAX RATE \$_____per \$100

7 "EQUIVALENT TAX RATE \$_____per \$100

8 "ROLLBACK TAX RATE \$_____per \$100

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

14 "The rollback tax rate is the highest tax rate that (name of
15 taxing unit) may adopt (insert "before the voters are entitled to
16 petition for an election to limit the rate that may be approved to
17 the rollback tax rate" if Section 26.07 applies or "without holding
18 an election to ratify the rate" if Section 26.08 applies).

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

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

24 "The proposed tax rate is also not greater than the rollback
25 tax rate. As a result, (insert "the voters are not entitled to
26 petition for an election to limit the rate that may be approved to
27 the rollback tax rate" if Section 26.07 applies or "(name of taxing

1 unit) is not required to hold an election to ratify the rate" if
2 Section 26.08 applies). However, you may express your support for
3 or opposition to the proposed tax rate by contacting the members of
4 the (name of governing body) of (name of taxing unit) at their
5 offices or by attending the public meeting mentioned above.

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

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

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

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

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

21 (1) a statement in the following form:

22 "The following table compares the taxes imposed on the
23 average residence homestead by (name of taxing unit) last year to
24 the taxes proposed to be imposed on the average residence homestead
25 by (name of taxing unit) this year:";

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

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

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

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

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

13 (c) The first row must appear as follows:

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

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

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

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

22 (d) The second row must appear as follows:

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

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

27 (3) the third column of the second row must state the

1 proposed tax rate for the current tax year; and
2 (4) the fourth column of the second row must state the
3 nominal and percentage difference between the adopted tax rate for
4 the preceding tax year and the proposed tax rate for the current tax
5 year as follows: "(increase or decrease, as applicable) of
6 (nominal difference between tax rate stated in second column of
7 second row and tax rate stated in third column of second row) per
8 \$100, or (percentage difference between tax rate stated in second
9 column of second row and tax rate stated in third column of second
10 row)%".

11 (e) The third row must appear as follows:

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

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

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

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

1 (f) The fourth row must appear as follows:

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

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

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

15 (4) the fourth column of the fourth row must state the
16 nominal and percentage difference between the amount of taxes
17 imposed by the taxing unit in the preceding tax year on a residence
18 homestead with a taxable value equal to the average taxable value of
19 a residence homestead in the taxing unit in the preceding tax year
20 and the amount of taxes that would be imposed by the taxing unit in
21 the current tax year on a residence homestead with a taxable value
22 equal to the average taxable value of a residence homestead in the
23 taxing unit in the current tax year if the taxing unit adopted the
24 proposed tax rate, as follows: "(increase or decrease, as
25 applicable) of (nominal difference between amount stated in second
26 column of fourth row and amount stated in third column of fourth
27 row), or (percentage difference between amount stated in second

1 column of fourth row and amount stated in third column of fourth
2 row)%".

3 (g) The fifth row must appear as follows:

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

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

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

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

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

27 SECTION 36. Section 26.065(b), Tax Code, is amended to read

1 as follows:

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

9 SECTION 37. The heading to Section 26.07, Tax Code, is
10 amended to read as follows:

11 Sec. 26.07. ELECTION TO REDUCE TAX RATE OF SMALL TAXING UNIT
12 [~~REPEAL INCREASE~~].

13 SECTION 38. Sections 26.07(a) and (b), Tax Code, are
14 amended to read as follows:

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

22 (b) A petition is valid only if:

23 (1) it states that it is intended to require an
24 election in the taxing unit on the question of reducing the tax rate
25 for the current year;

26 (2) it is signed by a number of registered voters of
27 the taxing unit equal to at least 10[+]

1 [~~(A) seven~~] percent of the number of registered
2 voters of the taxing unit who voted in [~~according to~~] the most
3 recent gubernatorial election [~~list of registered voters if the tax~~
4 ~~rate adopted for the current tax year would impose taxes for~~
5 ~~maintenance and operations in an amount of at least \$5 million; or~~
6 [~~(B) 10 percent of the number of registered~~
7 ~~voters of the taxing unit according to the most recent official list~~
8 ~~of registered voters if the tax rate adopted for the current tax~~
9 ~~year would impose taxes for maintenance and operations in an amount~~
10 ~~of less than \$5 million]; and~~

11 (3) it is submitted to the governing body on or before
12 the 90th day after the date on which the governing body adopted the
13 tax rate for the current year.

14 SECTION 39. The heading to Section 26.08, Tax Code, is
15 amended to read as follows:

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

18 SECTION 40. Section 26.08, Tax Code, is amended by amending
19 Subsections (a), (b), (d), (d-1), (d-2), (e), (g), (h), (n), and (p)
20 and adding Subsection (r) to read as follows:

21 (a) If the governing body of a taxing unit other than a small
22 taxing unit [~~school district~~] adopts a tax rate that exceeds the
23 taxing unit's [~~district's~~] rollback tax rate, the registered voters
24 of the taxing unit [~~district~~] at an election held for that purpose
25 must determine whether to approve the adopted tax rate. When
26 increased expenditure of money by a taxing unit [~~school district~~]
27 is necessary to respond to a disaster, including a tornado,

1 hurricane, flood, or other calamity, but not including a drought,
2 that has impacted the taxing unit [~~a school district~~] and the
3 governor has requested federal disaster assistance for the area in
4 which the taxing unit [~~school district~~] is located, an election is
5 not required under this section to approve the tax rate adopted by
6 the governing body for the year following the year in which the
7 disaster occurs.

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

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

1 taxing unit's [~~school district's~~] rollback tax rate.

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

14 (d-2) If a property owner pays taxes calculated using the
15 originally adopted tax rate of the taxing unit [~~school district~~]
16 and the proposition to approve the adopted tax rate is not approved
17 by the voters, the taxing unit [~~school district~~] shall refund the
18 difference between the amount of taxes paid and the amount due under
19 the subsequently adopted rate if the difference between the amount
20 of taxes paid and the amount due under the subsequent rate is \$1 or
21 more. If the difference between the amount of taxes paid and the
22 amount due under the subsequent rate is less than \$1, the taxing
23 unit [~~school district~~] shall refund the difference on request of
24 the taxpayer. An application for a refund of less than \$1 must be
25 made within 90 days after the date the refund becomes due or the
26 taxpayer forfeits the right to the refund.

27 (e) For purposes of this section, local tax funds dedicated

1 to a junior college district under Section 45.105(e), Education
2 Code, shall be eliminated from the calculation of the tax rate
3 adopted by the governing body of a [~~the~~] school district. However,
4 the funds dedicated to the junior college district are subject to
5 Section 26.085.

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

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

17 (n) For purposes of this section, the rollback tax rate of a
18 school district whose maintenance and operations tax rate for the
19 2005 tax year was \$1.50 or less per \$100 of taxable value is:

20 (1) for the 2006 tax year, the sum of the rate that is
21 equal to 88.67 percent of the maintenance and operations tax rate
22 adopted by the district for the 2005 tax year, the rate of \$0.04 per
23 \$100 of taxable value, and the district's current debt rate; and

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

26 (A) the sum of the following:

27 (i) the rate per \$100 of taxable value that

1 is equal to the product of the state compression percentage, as
2 determined under Section 42.2516, Education Code, for the current
3 year and \$1.50;

4 (ii) the rate of \$0.04 per \$100 of taxable
5 value;

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

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

12 (B) the sum of the following:

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

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

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

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

1 district's equivalent [~~effective~~] maintenance and operations tax
2 rate for that preceding tax year.

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

9 SECTION 41. Section 26.08(i), Tax Code, as effective
10 September 1, 2017, is amended to read as follows:

11 (i) For purposes of this section, the equivalent
12 [~~effective~~] maintenance and operations tax rate of a school
13 district is the tax rate that, applied to the current total value
14 for the district, would impose taxes in an amount that, when added
15 to state funds that would be distributed to the district under
16 Chapter 42, Education Code, for the school year beginning in the
17 current tax year using that tax rate, would provide the same amount
18 of state funds distributed under Chapter 42, Education Code, and
19 maintenance and operations taxes of the district per student in
20 weighted average daily attendance for that school year that would
21 have been available to the district in the preceding year if the
22 funding elements for Chapters 41 and 42, Education Code, for the
23 current year had been in effect for the preceding year.

24 SECTION 42. The heading to Section 26.16, Tax Code, is
25 amended to read as follows:

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

1 SECTION 43. Section 26.16, Tax Code, is amended by amending
2 Subsections (a) and (d) and adding Subsections (a-1), (d-1), and
3 (d-2) to read as follows:

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

- 10 (1) the adopted tax rate;
- 11 (2) the maintenance and operations rate;
- 12 (3) the debt rate;
- 13 (4) the equivalent [~~effective~~] tax rate;
- 14 (5) the equivalent [~~effective~~] maintenance and
15 operations rate; and
- 16 (6) the rollback tax rate.

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

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

25 "The county is providing this table of property tax rate
26 information as a service to the residents of the county. Each
27 individual taxing unit is responsible for calculating the property

1 tax rates listed in this table pertaining to that taxing unit and
2 providing that information to the county.

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

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

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

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

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

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

1 rate. In the case of a taxing unit other than a small taxing unit
2 [school district], an election will automatically be held if the
3 unit [district] wishes to adopt a tax rate in excess of the unit's
4 [district's] rollback tax rate."

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

9 (1) the worksheets used by the designated officer or
10 employee of each taxing unit to calculate the equivalent and
11 rollback tax rates of the unit for the most recent five tax years
12 beginning with the 2018 tax year, as certified by the county
13 assessor-collector under Section 26.04(d-1); and

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

16 (d-2) Not later than August 1, the county
17 assessor-collector shall post on the website the worksheets
18 described by Subsection (d-1)(1) for the current tax year.

19 SECTION 44. Chapter 26, Tax Code, is amended by adding
20 Sections 26.17 and 26.18 to read as follows:

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

24 (1) is identified by the name of the office of tax rate
25 notices, instead of the name of the appraisal district, and as the
26 "Real-time Tax Rate Database";

27 (2) contains information that is provided by

1 designated officers or employees of the taxing units that are
2 located in the appraisal district in the manner required by rules
3 adopted by the comptroller;

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

7 (4) is accessible to the public; and

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

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

12 (1) the property's identification number;

13 (2) the property's market value;

14 (3) the property's taxable value;

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

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

19 (A) the equivalent tax rate; and

20 (B) the rollback tax rate;

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

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

26 (B) the rollback tax rate;

27 (7) the tax rate proposed by the governing body of each

1 taxing unit in which the property is located;

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

5 (A) the equivalent tax rate; and

6 (B) the proposed tax rate;

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

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

13 (B) the proposed tax rate;

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

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

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

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

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

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

9 (d) The database must provide a link to the Internet website
10 used by each taxing unit in which the property is located to post
11 the information described by Section 26.18.

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

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

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

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

23 Sec. 26.18. POSTING OF TAX RATE AND BUDGET INFORMATION BY
24 TAXING UNIT ON WEBSITE. Each taxing unit shall maintain an Internet
25 website or have access to a generally accessible Internet website
26 that may be used for the purposes of this section. Each taxing unit
27 shall post or cause to be posted on the Internet website the

1 following information in a format prescribed by the comptroller:

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

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

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

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

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

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

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

19 (A) the preceding two years; and

20 (B) the current year;

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

24 (A) the preceding two years; and

25 (B) the current year;

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

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

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

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

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

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

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

17 SECTION 45. Sections 31.12(a) and (b), Tax Code, as amended
18 by S.B. 2242, Acts of the 85th Legislature, Regular Session, 2017,
19 are amended to read as follows:

20 (a) If a refund of a tax provided by Section 11.431(b),
21 26.07(g), 26.08(d-2), 26.15(f), 31.11, 31.111, or 31.112 is paid on
22 or before the 60th day after the date the liability for the refund
23 arises, no interest is due on the amount refunded. If not paid on or
24 before that 60th day, the amount of the tax to be refunded accrues
25 interest at a rate of one percent for each month or part of a month
26 that the refund is unpaid, beginning with the date on which the
27 liability for the refund arises.

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

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

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

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

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

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

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

19 (5) [~~4~~] if the refund is required by Section 31.11,
20 on the date the auditor for the taxing unit determines that the
21 payment was erroneous or excessive or, if the amount of the refund
22 exceeds the applicable amount specified by Section 31.11(a), on the
23 date the governing body of the unit approves the refund;

24 (6) [~~5~~] if the refund is required by Section 31.111,
25 on the date the collector for the taxing unit determines that the
26 payment was erroneous; or

27 (7) [~~6~~] if the refund is required by Section 31.112,

1 on the date required by Section 31.112(d) or (e), as applicable.

2 SECTION 46. Section 33.08(b), Tax Code, is amended to read
3 as follows:

4 (b) The governing body of the taxing unit or appraisal
5 district, in the manner required by law for official action, may
6 provide that taxes that become delinquent on or after June 1 under
7 Section 26.07(f), 26.08(d-1), 26.15(e), 31.03, 31.031, 31.032,
8 31.04, or 42.42 incur an additional penalty to defray costs of
9 collection. The amount of the penalty may not exceed the amount of
10 the compensation specified in the applicable contract with an
11 attorney under Section 6.30 to be paid in connection with the
12 collection of the delinquent taxes.

13 SECTION 47. Section 41.03(a), Tax Code, is amended to read
14 as follows:

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

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

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

22 (2) ~~[(3)]~~ a grant in whole or in part of a partial
23 exemption;

24 (3) ~~[(4)]~~ a determination that land qualifies for
25 appraisal as provided by Subchapter C, D, E, or H, Chapter 23; or

26 (4) ~~[(5)]~~ failure to identify the taxing unit as one
27 in which a particular property is taxable.

1 SECTION 48. Section 41.12(a), Tax Code, is amended to read
2 as follows:

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

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

6 (2) determine all timely filed challenges;

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

9 (4) approve the records.

10 SECTION 49. Sections 41.44(a), (c), and (d), Tax Code, are
11 amended to read as follows:

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

17 (1) not later than the later of:

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

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

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

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

5 (3) ~~(4)~~ in the case of a determination that a change
6 in the use of land appraised under Subchapter C, D, E, or H, Chapter
7 23, has occurred, not later than the 30th day after the date the
8 notice of the determination is delivered to the property owner; or

9 (4) ~~(5)~~ in the case of a determination of
10 eligibility for a refund under Section 23.1243, not later than the
11 30th day after the date the notice of the determination is delivered
12 to the property owner.

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

21 (d) A notice of protest is sufficient if it identifies the
22 protesting property owner, including a person claiming an ownership
23 interest in the property even if that person is not listed on the
24 appraisal records as an owner of the property, identifies the
25 property that is the subject of the protest, and indicates apparent
26 dissatisfaction with some determination of the appraisal office.
27 The notice need not be on an official form, but the comptroller

1 shall prescribe a form that provides for more detail about the
2 nature of the protest. The form must permit a property owner to
3 include each property in the appraisal district that is the subject
4 of a protest. The form must permit a property owner to request that
5 the protest be heard by a special panel established under Section
6 6.425 if the protest will be determined by an appraisal review board
7 to which that section applies and the property is included in a
8 classification described by Section 6.425(b). The comptroller,
9 each appraisal office, and each appraisal review board shall make
10 the forms readily available and deliver one to a property owner on
11 request.

12 SECTION 50. Section 41.45, Tax Code, is amended by amending
13 Subsection (d) and adding Subsections (d-1), (d-2), and (d-3) to
14 read as follows:

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

1 ~~of this subchapter.]~~

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

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

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

20 SECTION 51. Section 41.66, Tax Code, is amended by amending
21 Subsection (k) and adding Subsection (k-1) to read as follows:

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

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

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

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

4 SECTION 52. Section 41.71, Tax Code, is amended to read as
5 follows:

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

10 (b) The board may not schedule:

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

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

14 SECTION 53. Sections 41A.07(e), (f), and (g), Tax Code, as
15 effective September 1, 2017, are amended to read as follows:

16 (e) To be eligible for appointment as an arbitrator under
17 this section [~~Subsection (a)~~], the arbitrator must reside[+]

18 [~~(1) in the county in which the property that is the~~
19 ~~subject of the appeal is located; or~~

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

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

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

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

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

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

10 SECTION 54. Section [41A.07](#), Tax Code, is amended by adding
11 Subsection (h) to read as follows:

12 (h) In appointing an initial arbitrator under Subsection
13 (a), the comptroller shall appoint an arbitrator who resides in the
14 county in which the property that is the subject of the appeal is
15 located if there is an available arbitrator who resides in that
16 county. In appointing a substitute arbitrator under Subsection
17 (d), the comptroller is not required to appoint an arbitrator who
18 resides in the county in which the property that is the subject of
19 the appeal is located regardless of whether there is an available
20 arbitrator who resides in that county.

21 SECTION 55. Section [45.105](#)(e), Education Code, is amended
22 to read as follows:

23 (e) The governing body of an independent school district
24 that governs a junior college district under Subchapter B, Chapter
25 [130](#), in a county with a population of more than two million may
26 dedicate a specific percentage of the local tax levy to the use of
27 the junior college district for facilities and equipment or for the

1 maintenance and operating expenses of the junior college district.
2 To be effective, the dedication must be made by the governing body
3 on or before the date on which the governing body adopts its tax
4 rate for a year. The amount of local tax funds derived from the
5 percentage of the local tax levy dedicated to a junior college
6 district from a tax levy may not exceed the amount that would be
7 levied by five percent of the equivalent ~~[effective]~~ tax rate for
8 the tax year calculated as provided by Section 26.04, Tax Code, on
9 all property taxable by the school district. All real property
10 purchased with these funds is the property of the school district,
11 but is subject to the exclusive control of the governing body of the
12 junior college district for as long as the junior college district
13 uses the property for educational purposes.

14 SECTION 56. Section 130.016(b), Education Code, is amended
15 to read as follows:

16 (b) If the board of trustees of an independent school
17 district that divests itself of the management, control, and
18 operation of a junior college district under this section or under
19 Section 130.017 ~~[of this code]~~ was authorized by ~~[Subsection (e)~~
20 ~~of]~~ Section 45.105(e) or under former Section 20.48(e) ~~[20.48 of~~
21 ~~this code]~~ to dedicate a portion of its tax levy to the junior
22 college district before the divestment, the junior college district
23 may levy an ad valorem tax from and after the divestment. In the
24 first two years in which the junior college district levies an ad
25 valorem tax, the tax rate adopted by the governing body may not
26 exceed the rate that, if applied to the total taxable value
27 submitted to the governing body under Section 26.04, Tax Code,

1 would impose an amount equal to the amount of taxes of the school
2 district dedicated to the junior college under [~~Subsection (e) of~~]
3 Section 45.105(e) or former Section 20.48(e) [~~20.48 of this code~~]
4 in the last dedication before the divestment. In subsequent years,
5 the tax rate of the junior college district is subject to Section
6 26.07 or 26.08, Tax Code, as applicable.

7 SECTION 57. Section 403.302(o), Government Code, is amended
8 to read as follows:

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

13 SECTION 58. Sections 281.124(d) and (e), Health and Safety
14 Code, are amended to read as follows:

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

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

27 SECTION 59. Section 102.007(d), Local Government Code, is

1 amended to read as follows:

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

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

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

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

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

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

27 (3) the municipal property tax rates for the preceding

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

- 3 (A) the property tax rate;
- 4 (B) the equivalent [~~effective~~] tax rate;
- 5 (C) the equivalent [~~effective~~] maintenance and
6 operations tax rate;
- 7 (D) the rollback tax rate; and
- 8 (E) the debt rate; and
- 9 (4) the total amount of municipal debt obligations.

10 SECTION 60. Section [111.008\(d\)](#), Local Government Code, is
11 amended to read as follows:

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

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

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

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

1 (insert amount computed by multiplying the proposed tax rate by the
2 value of new property added to the roll)."; or

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

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

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

13 (A) the property tax rate;

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

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

17 (D) the rollback tax rate; and

18 (E) the debt rate; and

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

20 SECTION 61. Section [111.039](#)(d), Local Government Code, is
21 amended to read as follows:

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

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

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

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

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

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

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

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

23 (A) the property tax rate;

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

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

27 (D) the rollback tax rate; and

- 1 (E) the debt rate; and
- 2 (4) the total amount of county debt obligations.

3 SECTION 62. Section [111.068\(c\)](#), Local Government Code, is
4 amended to read as follows:

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

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

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

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

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

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

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

6 (A) the property tax rate;

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

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

10 (D) the rollback tax rate; and

11 (E) the debt rate; and

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

13 SECTION 63. Section [1122.2522](#), Special District Local Laws
14 Code, is amended by amending Subsection (a) and adding Subsection
15 (a-1) to read as follows:

16 (a) If in any year the board adopts a tax rate that exceeds
17 the rollback tax rate calculated as provided by Chapter [26](#), Tax
18 Code, and the district is a small taxing unit as defined by Section
19 [26.012](#) of that code, the qualified voters of the district by
20 petition may require that an election be held to determine whether
21 or not to reduce the tax rate adopted by the board for that year to
22 the rollback tax rate.

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

1 year.

2 SECTION 64. Sections 3828.157 and 8876.152, Special
3 District Local Laws Code, are amended to read as follows:

4 Sec. 3828.157. INAPPLICABILITY OF CERTAIN TAX CODE
5 PROVISIONS. Sections 26.04, 26.05, ~~and~~ 26.07, and 26.08, Tax
6 Code, do not apply to a tax imposed under Section 3828.153 or
7 3828.156.

8 Sec. 8876.152. APPLICABILITY OF CERTAIN TAX PROVISIONS.
9 (a) Sections 26.04, 26.05, 26.06, 26.061, ~~and~~ 26.07, and 26.08,
10 Tax Code, do not apply to a tax imposed by the district.

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

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

20 SECTION 66. Section 49.108(f), Water Code, is amended to
21 read as follows:

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

25 SECTION 67. Section 49.236(a), Water Code, as added by
26 Chapter 335 (S.B. 392), Acts of the 78th Legislature, Regular
27 Session, 2003, is amended to read as follows:

1 (a) Before the board adopts an ad valorem tax rate for the
2 district for debt service, operation and maintenance purposes, or
3 contract purposes, the board shall give notice of each meeting of
4 the board at which the adoption of a tax rate will be considered.
5 The notice must:

6 (1) contain a statement in substantially the following
7 form:

8 "NOTICE OF PUBLIC HEARING ON TAX RATE

9 "The (name of the district) will hold a public hearing on a
10 proposed tax rate for the tax year (year of tax levy) on (date and
11 time) at (meeting place). Your individual taxes may increase at a
12 greater or lesser rate, or even decrease, depending on the tax rate
13 that is adopted and on the change in the taxable value of your
14 property in relation to the change in taxable value of all other
15 property [and the tax rate that is adopted]. The change in the
16 taxable value of your property in relation to the change in the
17 taxable value of all other property determines the distribution of
18 the tax burden among all property owners.

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

22 (2) contain the following information:

23 (A) the district's total adopted tax rate for the
24 preceding year and the proposed tax rate, expressed as an amount per
25 \$100;

26 (B) the difference, expressed as an amount per
27 \$100 and as a percent increase or decrease, as applicable, in the

1 proposed tax rate compared to the adopted tax rate for the preceding
2 year;

3 (C) the average appraised value of a residence
4 homestead in the district in the preceding year and in the current
5 year; the district's total homestead exemption, other than an
6 exemption available only to disabled persons or persons 65 years of
7 age or older, applicable to that appraised value in each of those
8 years; and the average taxable value of a residence homestead in
9 the district in each of those years, disregarding any homestead
10 exemption available only to disabled persons or persons 65 years of
11 age or older;

12 (D) the amount of tax that would have been
13 imposed by the district in the preceding year on a residence
14 homestead appraised at the average appraised value of a residence
15 homestead in that year, disregarding any homestead exemption
16 available only to disabled persons or persons 65 years of age or
17 older;

18 (E) the amount of tax that would be imposed by the
19 district in the current year on a residence homestead appraised at
20 the average appraised value of a residence homestead in that year,
21 disregarding any homestead exemption available only to disabled
22 persons or persons 65 years of age or older, if the proposed tax
23 rate is adopted; ~~and~~

24 (F) the difference between the amounts of tax
25 calculated under Paragraphs (D) and (E), expressed in dollars and
26 cents and described as the annual percentage increase or decrease,
27 as applicable, in the tax to be imposed by the district on the

1 average residence homestead in the district in the current year if
2 the proposed tax rate is adopted; and

3 (G) if the proposed combined debt service,
4 operation and maintenance, and contract tax rate would authorize
5 the qualified voters of the district by petition to require a
6 rollback election to be held in the district, a description of the
7 purpose of the proposed tax increase; and

8 (3) contain a statement in substantially the following
9 form:

10 "NOTICE OF TAXPAYERS' RIGHT TO ROLLBACK ELECTION

11 "If taxes on the average residence homestead increase by more
12 than eight percent, the qualified voters of the district by
13 petition may require that an election be held to determine whether
14 to reduce the operation and maintenance tax rate to the rollback tax
15 rate under Section 49.236(d), Water Code."

16 SECTION 68. The following provisions are repealed:

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

18 (2) Section 140.010, Local Government Code;

19 (3) Section 49.236, Water Code, as added by Chapter
20 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session,
21 2003;

22 (4) Section 49.2361, Water Code;

23 (5) Section 1, H.B. 2228, Acts of the 85th
24 Legislature, Regular Session, 2017, which amended Section
25 11.4391(a), Tax Code;

26 (6) Section 3, H.B. 2228, Acts of the 85th
27 Legislature, Regular Session, 2017, which added Sections 22.23(c)

1 and (d), Tax Code; and

2 (7) Section 5, H.B. 2228, Acts of the 85th
3 Legislature, Regular Session, 2017, which amended Sections
4 41.44(a) and (c), Tax Code.

5 SECTION 69. Sections 5.05, 5.102, 5.13, and 23.01, Tax
6 Code, as amended by this Act, apply only to the appraisal of
7 property for ad valorem tax purposes for a tax year beginning on or
8 after January 1, 2018.

9 SECTION 70. (a) The comptroller shall comply with Sections
10 5.07(f), (g), (h), and (i), Tax Code, as added by this Act, as soon
11 as practicable after January 1, 2018.

12 (b) The comptroller shall comply with Section 5.091, Tax
13 Code, as amended by this Act, not later than January 1, 2019.

14 SECTION 71. Section 6.41(d-9), Tax Code, as amended by this
15 Act, applies only to the appointment of appraisal review board
16 members to terms beginning on or after January 1, 2019.

17 SECTION 72. Section 6.42(d), Tax Code, as added by this Act,
18 applies only to a recommendation, determination, decision, or other
19 action by an appraisal review board or a panel of such a board on or
20 after January 1, 2018. A recommendation, determination, decision,
21 or other action by an appraisal review board or a panel of such a
22 board before January 1, 2018, is governed by the law as it existed
23 immediately before that date, and that law is continued in effect
24 for that purpose.

25 SECTION 73. Sections 11.4391(a) and 22.23, Tax Code, as
26 amended by this Act, apply only to ad valorem taxes imposed for a
27 tax year beginning on or after January 1, 2018.

1 SECTION 74. (a) An appraisal district established in a
2 county with a population of 120,000 or more and each taxing unit
3 located wholly or partly in such an appraisal district shall comply
4 with Sections 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18,
5 Tax Code, as added by this Act, beginning with the 2019 tax year.

6 (b) An appraisal district established in a county with a
7 population of less than 120,000 and each taxing unit located wholly
8 in such an appraisal district shall comply with Sections
9 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18, Tax Code, as
10 added by this Act, beginning with the 2020 tax year.

11 SECTION 75. Not later than the 30th day after the effective
12 date of this section:

13 (1) the designated officer or employee of each taxing
14 unit shall submit to the county assessor-collector for each county
15 in which all or part of the territory of the taxing unit is located
16 the worksheets used by the designated officer or employee to
17 calculate the effective and rollback tax rates of the unit for the
18 2013-2017 tax years; and

19 (2) the county assessor-collector for each county
20 shall post the worksheets submitted to the county
21 assessor-collector under Subdivision (1) of this section on the
22 Internet website of the county.

23 SECTION 76. A taxing unit that does not own, operate, or
24 control an Internet website is not required to comply with Sections
25 26.05(b)(2) and 26.065(b), Tax Code, as amended by this Act, until
26 the first tax year in which the unit is required by law to maintain
27 or have access to an Internet website.

1 SECTION 77. Section 33.08(b), Tax Code, as amended by this
2 Act, applies only to taxes that become delinquent on or after
3 January 1, 2018. Taxes that become delinquent before that date are
4 governed by the law as it existed immediately before that date, and
5 that law is continued in effect for that purpose.

6 SECTION 78. Section 41.03(a), Tax Code, as amended by this
7 Act, applies only to a challenge under Chapter 41, Tax Code, for
8 which a challenge petition is filed on or after January 1, 2018. A
9 challenge under Chapter 41, Tax Code, for which a challenge
10 petition was filed before January 1, 2018, is governed by the law in
11 effect on the date the challenge petition was filed, and the former
12 law is continued in effect for that purpose.

13 SECTION 79. Sections 41.45 and 41.66, Tax Code, as amended
14 by this Act, apply only to a protest filed under Chapter 41, Tax
15 Code, on or after January 1, 2019. A protest filed under that
16 chapter before January 1, 2019, is governed by the law in effect on
17 the date the protest was filed, and the former law is continued in
18 effect for that purpose.

19 SECTION 80. Section 41.71, Tax Code, as amended by this Act,
20 applies only to a hearing on a protest under Chapter 41, Tax Code,
21 that is scheduled on or after January 1, 2018. A hearing on a
22 protest under Chapter 41, Tax Code, that is scheduled before
23 January 1, 2018, is governed by the law in effect on the date the
24 hearing was scheduled, and that law is continued in effect for that
25 purpose.

26 SECTION 81. Section 41A.07, Tax Code, as amended by this
27 Act, applies only to a request for binding arbitration received by

1 the comptroller from an appraisal district on or after January 1,
2 2018.

3 SECTION 82. (a) Except as otherwise provided by this Act,
4 this Act takes effect January 1, 2018.

5 (b) Section 75 of this Act takes effect immediately if this
6 Act receives a vote of two-thirds of all the members elected to each
7 house, as provided by Section 39, Article III, Texas Constitution.
8 If this Act does not receive the vote necessary for immediate
9 effect, Section 75 of this Act takes effect on the 91st day after
10 the last day of the legislative session.

11 (c) The following provisions take effect September 1, 2018:

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

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

16 (3) Section 6.414(d), Tax Code, as amended by this
17 Act;

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

19 (5) Section 41.44(d), Tax Code, as amended by this
20 Act;

21 (6) Section 41.45(d), Tax Code, as amended by this
22 Act;

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

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

27 (9) Section 41.66(k-1), Tax Code, as added by this

1 Act.

2 (d) The following provisions take effect January 1, 2019:

3 (1) Sections 26.04(d-1), (d-2), (d-3), (e-2), (e-3),
4 (e-4), and (e-5), Tax Code, as added by this Act;

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

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

9 (4) Section 26.05(e), Tax Code, as amended by this

10 Act.