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HOUSE OF REPRESENTATIVES

FLOOR AMENDMENT NO. \_\_\_\_\_

BY: Stickland

1 Amend C.S.H.B. No. 2 by striking all below the enacting  
2 clause and substituting the following:

3 SECTION 1. This Act may be cited as the Texas Property Tax  
4 Reform and Relief Act of 2019.

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

7 (a) Notwithstanding any other provision in this title and  
8 except as provided by this section, any notice, rendition,  
9 application form, or completed application, or information  
10 requested under Section 41.461(a)(2), that is required or permitted  
11 by this title to be delivered between a chief appraiser, an  
12 appraisal district, an appraisal review board, or any combination  
13 of those persons and a property owner or [~~between a chief appraiser,~~  
14 ~~an appraisal district, an appraisal review board, or any~~  
15 ~~combination of those persons and]~~ a person designated by a property  
16 owner under Section 1.111(f) may be delivered in an electronic  
17 format if the chief appraiser and the property owner or person  
18 designated by the owner agree under this section.

19 SECTION 3. Chapter 5, Tax Code, is amended by adding Section  
20 5.01 to read as follows:

21 Sec. 5.01. PROPERTY TAX ADMINISTRATION ADVISORY BOARD.

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

1 resolution procedures.

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

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

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

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

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

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

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

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

26 (c) The comptroller may contract with service providers to  
27 assist with the duties imposed under Subsection (a), but the course  
28 required may not be provided by an appraisal district, the chief  
29 appraiser or another employee of an appraisal district, a member of  
30 the board of directors of an appraisal district, a member of an  
31 appraisal review board, or a taxing unit. The comptroller may

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

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

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

14 (2) the appraisal of business personal property;

15 (3) the determination of capitalization rates for  
16 property appraisal purposes;

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

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

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

23 (7) the Uniform Standards of Professional Appraisal  
24 Practice;

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

27 (9) the requirements regarding the equal and uniform  
28 appraisal of property;

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

31 (11) a detailed explanation of each of the actions

1 described by Sections 25.25, 41.41(a), 41.411, 41.412, 41.413,  
2 41.42, and 41.43 so that members are fully aware of each of the  
3 grounds on which a property appraisal can be appealed.

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

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

9 (b) The comptroller shall:

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

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

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

17 (c) The training program must:

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

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

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

25 (e) The comptroller may contract with service providers to  
26 assist with the duties imposed under Subsection (b), but the  
27 training program may not be provided by an appraisal district, the  
28 chief appraiser or another employee of an appraisal district, a  
29 member of the board of directors of an appraisal district, a member  
30 of an appraisal review board, or a taxing unit. The comptroller may  
31 assess a fee to recover a portion of the costs incurred for the

1 training program, but the fee may not exceed \$50 for each person  
2 trained.

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

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

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

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

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

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

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

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

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

31 (2) be capable of being certified by the designated

1 officer or employee after completion as accurately calculating the  
2 applicable tax rates and using values that are the same as the  
3 values shown in the taxing unit's certified appraisal roll; and

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

9 (h) For purposes of Subsections (f) and (g), the comptroller  
10 shall use the forms published on the comptroller's Internet website  
11 as of January 1, 2019, modified as necessary to comply with the  
12 requirements of those subsections. The comptroller shall update  
13 the forms as necessary to reflect any change in the values used to  
14 calculate a tax rate resulting from a statutory change in a value  
15 used to calculate a tax rate. The comptroller may also update the  
16 forms to reflect formatting or other nonsubstantive changes.

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

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

30 Sec. 5.091. STATEWIDE LIST OF TAX RATES. (a) Each year the  
31 comptroller shall prepare a list that includes the total tax rate

1 imposed by each taxing unit in this state, as ~~[other than a school~~  
2 ~~district, if the tax rate is]~~ reported to the comptroller by each  
3 appraisal district, for the year ~~[preceding the year]~~ in which the  
4 list is prepared. The comptroller shall:

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

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

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

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

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

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

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

30 (c) At the conclusion of the review, the comptroller shall,  
31 in writing, notify the appraisal district concerning its

1 performance in the review. If the review results in a finding that  
2 an appraisal district is not in compliance with generally accepted  
3 standards, procedures, and methodology, including compliance with  
4 standards, procedures, and methodology prescribed by appraisal  
5 manuals prepared and issued by the comptroller, the comptroller  
6 shall deliver a report that details the comptroller's findings and  
7 recommendations for improvement to:

8 (1) the appraisal district's chief appraiser and board  
9 of directors; and

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

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

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

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

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

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

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

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

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

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



1           (1) the matters listed in Section 5.103(b); and  
2           (2) any other matter related to the fairness and  
3 efficiency of the appraisal review board.

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

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

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

17           (1) in person;  
18           (2) by mail;  
19           (3) by electronic mail; or  
20           (4) through a web page on the comptroller's Internet  
21 website that allows the individual to complete and submit the form.

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

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

31          (i) The comptroller shall issue an annual report that

1 summarizes the information included in the survey forms submitted  
2 during the preceding year. The report may not disclose the identity  
3 of an individual who submitted a survey form.

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

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

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

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

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

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

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

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

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

27 (a-1) An individual is ineligible to serve on an appraisal  
28 district board of directors if the individual has engaged in the  
29 business of appraising property for compensation for use in  
30 proceedings under this title or of representing property owners for  
31 compensation in proceedings under this title in the appraisal

1 district at any time during the preceding three [~~five~~] years.

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

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

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

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

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

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

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

31 (b-2) An appraisal district board of directors for a

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

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

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

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

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

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

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

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

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

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

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

11 (B) the appraisal review board.

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

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

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

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

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

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

30 (d) An auxiliary board member may hear taxpayer protests  
31 before the appraisal review board. An auxiliary board member may

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

10 SECTION 18. Section 6.42, Tax Code, is amended by amending  
11 Subsection (a) and adding Subsection (d) to read as follows:

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

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

27 SECTION 19. Subchapter C, Chapter 6, Tax Code, is amended by  
28 adding Section 6.425 to read as follows:

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

1 6.41(b-2).

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

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

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

9 (A) commercial real and personal property;

10 (B) real and personal property of utilities;

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

13 (D) multifamily residential real property.

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

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

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

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

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

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

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

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

31 (7) have at least 10 years of experience in property

1 tax appraisal or consulting; or

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

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

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

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

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

18 SECTION 20. Section 11.4391(a), Tax Code, is amended to  
19 read as follows:

20 (a) The chief appraiser shall accept and approve or deny an  
21 application for an exemption for freeport goods under Section  
22 11.251 after the deadline for filing it has passed if it is filed  
23 not later than June 1 [~~15~~].

24 SECTION 21. Sections 22.23(a) and (b), Tax Code, are  
25 amended to read as follows:

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

29 (b) On written request by the property owner, the chief  
30 appraiser shall extend a deadline for filing a rendition statement  
31 or property report to a date not later than May 1 [~~15~~]. The chief



1 appraiser may further extend the deadline an additional 15 days  
2 upon good cause shown in writing by the property owner.

3 SECTION 22. Section 23.01(b), Tax Code, is amended to read  
4 as follows:

5 (b) The market value of property shall be determined by the  
6 application of generally accepted appraisal methods and  
7 techniques, including appraisal methods and techniques prescribed  
8 by appraisal manuals prepared and issued by the comptroller. If the  
9 appraisal district determines the appraised value of a property  
10 using mass appraisal standards, the mass appraisal standards must  
11 comply with the Uniform Standards of Professional Appraisal  
12 Practice. The same or similar appraisal methods and techniques  
13 shall be used in appraising the same or similar kinds of property.  
14 However, each property shall be appraised based upon the individual  
15 characteristics that affect the property's market value, and all  
16 available evidence that is specific to the value of the property  
17 shall be taken into account in determining the property's market  
18 value.

19 SECTION 23. Section 25.19, Tax Code, is amended by amending  
20 Subsections (a), (b), (g), and (i) and adding Subsections (b-3) and  
21 (b-4) to read as follows:

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

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

31 (2) the appraised value of the property is greater

1 than the value rendered by the property owner;

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

4 (4) an exemption or partial exemption approved for the  
5 property for the preceding year was canceled or reduced for the  
6 current year.

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

9 (1) a list of the taxing units in which the property is  
10 taxable;

11 (2) the appraised value of the property in the  
12 preceding year;

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

15 (4) the appraised value of the property for the  
16 current year, the kind and amount of each exemption and partial  
17 exemption, if any, approved for the property for the current year  
18 and for the preceding year, and, if an exemption or partial  
19 exemption that was approved for the preceding year was canceled or  
20 reduced for the current year, the amount of the exemption or partial  
21 exemption canceled or reduced;

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

25 [~~6~~] in italic typeface, the following  
26 statement: "The Texas Legislature does not set the amount of your  
27 local taxes. Your property tax burden is decided by your locally  
28 elected officials, and all inquiries concerning your taxes should  
29 be directed to those officials";

30 (6) [~~7~~] a detailed explanation of the time and  
31 procedure for protesting the value;

1           (7) [~~(8)~~] the date and place the appraisal review  
2 board will begin hearing protests; and

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

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

13           (b-4) Subsection (b)(5) applies only to a notice of  
14 appraised value required to be delivered by the chief appraiser of  
15 an appraisal district established in a county with a population of  
16 less than 120,000. This subsection expires January 1, 2022.

17           (g) By April 15 [~~1~~] or as soon thereafter as practicable [~~if~~  
18 ~~the property is a single-family residence that qualifies for an~~  
19 ~~exemption under Section 11.13, or by May 1 or as soon thereafter as~~  
20 ~~practicable in connection with any other property], the chief  
21 appraiser shall deliver a written notice to the owner of each  
22 property not included in a notice required to be delivered under  
23 Subsection (a), if the property was reappraised in the current tax  
24 year, if the ownership of the property changed during the preceding  
25 year, or if the property owner or the agent of a property owner  
26 authorized under Section 1.111 makes a written request for the  
27 notice. The chief appraiser shall separate real from personal  
28 property and include in the notice for each property:~~

29           (1) the appraised value of the property in the  
30 preceding year;

31           (2) the appraised value of the property for the

1 current year and the kind of each partial exemption, if any,  
2 approved for the current year;

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

5 (4) the date and place the appraisal review board will  
6 begin hearing protests.

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

13 SECTION 24. Section 25.22(a), Tax Code, is amended to read  
14 as follows:

15 (a) By May 1 [~~15~~] or as soon thereafter as practicable, the  
16 chief appraiser shall submit the completed appraisal records to the  
17 appraisal review board for review and determination of protests.  
18 However, the chief appraiser may not submit the records until the  
19 chief appraiser has delivered the notices required by Sections  
20 11.45(d) [~~Subsection (d) of Section 11.45~~], 23.44(d) [~~Subsection~~  
21 ~~(d) of Section 23.44~~], 23.57(d) [~~Subsection (d) of Section 23.57~~],  
22 23.79(d) [~~Subsection (d) of Section 23.79~~], 23.85(d) [~~Subsection~~  
23 ~~(d) of Section 23.85~~], 23.95(d) [~~Subsection (d) of Section 23.95~~],  
24 23.9805(d) [~~Subsection (d) of Section 23.9805~~], and [~~Section~~]  
25 25.19.

26 SECTION 25. Sections 26.01(a) and (e), Tax Code, are  
27 amended to read as follows:

28 (a) By July 10 [~~25~~], the chief appraiser shall prepare and  
29 certify to the assessor for each taxing unit participating in the  
30 district that part of the appraisal roll for the district that lists  
31 the property taxable by the taxing unit. The part certified to the

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

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

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

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

18 NO-NEW-REVENUE [~~EFFECTIVE~~] MAINTENANCE AND OPERATIONS  
19 RATE = (LAST YEAR'S LEVY - LAST YEAR'S DEBT LEVY - LAST  
20 YEAR'S JUNIOR COLLEGE LEVY) / (CURRENT TOTAL VALUE -  
21 NEW PROPERTY VALUE)

22 SECTION 27. Section 26.012, Tax Code, is amended by  
23 amending Subdivision (10) and adding Subdivision (19) to read as  
24 follows:

25 (10) "Excess collections" means the amount, if any, by  
26 which debt taxes collected in the preceding year exceeded the  
27 amount anticipated in the preceding year's calculation of the  
28 rollback tax rate, as certified by the collector under Section  
29 26.04(b) [~~of this code~~].

30 (19) "Small taxing unit" means a taxing unit, other  
31 than a school district, for which the sum of the following amounts

1 is \$15 million or less:

2 (A) the total amount of property taxes that would  
3 be imposed by the taxing unit for the current tax year if the tax  
4 rate proposed for that tax year were applied to the current total  
5 value for the taxing unit; and

6 (B) the total amount of sales and use tax revenue  
7 received by the taxing unit, if any, for the last preceding four  
8 quarters for which that information is available.

9 SECTION 28. 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 NO-NEW-REVENUE [~~EFFECTIVE~~] AND ROLLOBACK TAX RATES.

13 SECTION 29. 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 taxing unit showing the total appraised, assessed, and taxable  
19 values of all property and the total taxable value of new property  
20 to the governing body of the taxing unit by July 15 [~~August 1~~] or as  
21 soon 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  
28 collector shall also certify the amount of debt taxes collected in  
29 excess of the anticipated amount in the preceding year.

30 (c) After the assessor for the taxing unit submits the  
31 appraisal roll for the taxing unit to the governing body of the

1 taxing unit as required by Subsection (b), an [An] officer or  
2 employee designated by the governing body shall calculate the  
3 no-new-revenue [effective] tax rate and the rollback tax rate for  
4 the taxing unit, where:

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

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

11 ; and

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

15 (A) for a small taxing unit:

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

19 ; OR

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

22 ROLLBACK TAX RATE = (NO-NEW-REVENUE MAINTENANCE AND  
23 OPERATIONS RATE x 1.025) + CURRENT DEBT RATE

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

1 rate in the manner provided by this subsection until the earlier of:

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

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

10 (d) The no-new-revenue [~~effective~~] tax rate for a county is  
11 the sum of the no-new-revenue [~~effective~~] tax rates calculated for  
12 each type of tax the county levies and the rollback tax rate for a  
13 county is the sum of the rollback tax rates calculated for each type  
14 of tax the county levies.

15 (d-1) The designated officer or employee shall use the tax  
16 rate calculation forms prescribed by the comptroller under Section  
17 5.07 in calculating the no-new-revenue tax rate and the rollback  
18 tax rate.

19 (d-2) The designated officer or employee may not submit the  
20 no-new-revenue tax rate and the rollback tax rate to the governing  
21 body of the taxing unit and the taxing unit may not adopt a tax rate  
22 until the designated officer or employee certifies on the tax rate  
23 calculation forms that the designated officer or employee has  
24 accurately calculated the tax rates and has used values that are the  
25 same as the values shown in the taxing unit's certified appraisal  
26 roll in performing the calculations.

27 (d-3) As soon as practicable after the designated officer or  
28 employee calculates the no-new-revenue tax rate and the rollback  
29 tax rate of the taxing unit, the designated officer or employee  
30 shall submit the tax rate calculation forms used in calculating the  
31 rates to the county assessor-collector for each county in which all



1 or part of the territory of the taxing unit is located.

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

10 (1) the no-new-revenue [~~effective~~] tax rate, the  
11 rollback 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 taxing unit's debt obligations  
18 showing:

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

29 (B) the amount by which taxes imposed for debt  
30 are to be increased because of the taxing unit's anticipated  
31 collection rate; and

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

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

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

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

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

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

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

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

28 (A) the amount of property tax revenue spent by  
29 the taxing unit to operate the department, function, or activity  
30 for which the taxing unit raised the rollback tax rate as required  
31 by Subsection (j) for the 12 months preceding the month in which the

1 calculations required by this chapter are made; and

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

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

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

15 (1) the following statement:

16 "PROPOSED (tax year) PROPERTY TAX BILL INFORMATION

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

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

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

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

31 (e-3) The heading of the statement described by Subsection

1 (e-2)(1) must be in bold, capital letters in type larger than that  
2 used in the other provisions of the notice.

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

5 (e-5) The governing body of a taxing unit shall include as  
6 an appendix to the taxing unit's budget for a fiscal year the tax  
7 rate calculation forms used by the designated officer or employee  
8 of the taxing unit to calculate the no-new-revenue tax rate and the  
9 rollback tax rate of the taxing unit for the tax year in which the  
10 fiscal year begins.

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

16 (g) A person who owns taxable property is entitled to an  
17 injunction prohibiting the taxing unit in which the property is  
18 taxable from adopting a tax rate if the assessor or designated  
19 officer or employee of the taxing unit, the tax notice officer of  
20 the applicable appraisal district, or the taxing unit, as  
21 applicable, has not complied with the computation, [~~ex~~]  
22 publication, or posting requirements of this section or Section  
23 26.16, 26.17, or 26.18 [and the failure to comply was not in good  
24 faith]. It is a defense in an action for an injunction under this  
25 subsection that the failure to comply was in good faith.

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

1 any of the preceding three years.

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

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

31 (j) This subsection applies to a taxing unit that had agreed

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

31 SECTION 30. Section 26.041, Tax Code, is amended by

1 amending Subsections (a), (b), (c), (e), (g), and (h) and adding  
2 Subsection (c-1) to read as follows:

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

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

10 and

11 ROLLBACK TAX RATE FOR SMALL TAXING UNIT =  
12 (NO-NEW-REVENUE ~~[EFFECTIVE]~~ MAINTENANCE AND  
13 OPERATIONS RATE x 1.08) + CURRENT DEBT RATE - SALES TAX  
14 GAIN RATE

15 or

16 ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SMALL  
17 TAXING UNIT = (NO-NEW-REVENUE MAINTENANCE AND  
18 OPERATIONS RATE x 1.025) + CURRENT DEBT RATE - SALES  
19 TAX GAIN RATE

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

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

31 ROLLBACK TAX RATE FOR SMALL TAXING UNIT = [(LAST YEAR'S

1 MAINTENANCE AND OPERATIONS EXPENSE x 1.08) / (~~[TOTAL]~~  
2 CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + (CURRENT  
3 DEBT RATE - SALES TAX REVENUE RATE)

4 or

5 ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SMALL  
6 TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS  
7 EXPENSE x 1.025) / (CURRENT TOTAL VALUE - NEW PROPERTY  
8 VALUE)] + (CURRENT DEBT RATE - SALES TAX REVENUE RATE)

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

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

22 NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE = [(LAST YEAR'S  
23 LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW  
24 PROPERTY VALUE)] + SALES TAX LOSS RATE

25 [~~and~~]

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

30 and

31 ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SMALL



1           TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS  
2           EXPENSE x 1.025) / (CURRENT TOTAL VALUE - NEW PROPERTY  
3           VALUE)] + CURRENT DEBT RATE

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

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

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

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

28           (e) If a city that imposes an additional sales and use tax  
29 receives payments under the terms of a contract executed before  
30 January 1, 1986, in which the city agrees not to annex certain  
31 property or a certain area and the owners or lessees of the property

1 or of property in the area agree to pay at least annually to the city  
2 an amount determined by reference to all or a percentage of the  
3 property tax rate of the city and all or a part of the value of the  
4 property subject to the agreement or included in the area subject to  
5 the agreement, the governing body, by order adopted by a majority  
6 vote of the governing body, may direct the designated officer or  
7 employee to add to the no-new-revenue [effective] and rollback tax  
8 rates the amount that, when applied to the total taxable value  
9 submitted to the governing body, would produce an amount of taxes  
10 equal to the difference between the total amount of payments for the  
11 tax year under contracts described by this subsection under the  
12 rollback tax rate calculated under this section and the total  
13 amount of payments for the tax year that would have been obligated  
14 to the city if the city had not adopted an additional sales and use  
15 tax.

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

1 denominator of which is the current total value minus the new  
2 property value.

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

20 SECTION 31. The heading to Section 26.043, Tax Code, is  
21 amended to read as follows:

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

24 SECTION 32. Sections 26.043(a) and (b), Tax Code, are  
25 amended to read as follows:

26 (a) In the tax year in which a city has set an election on  
27 the question of whether to impose a local sales and use tax under  
28 Subchapter H, Chapter 453, Transportation Code, the officer or  
29 employee designated to make the calculations provided by Section  
30 26.04 may not make those calculations until the outcome of the  
31 election is determined. If the election is determined in favor of

1 the imposition of the tax, the designated officer or employee  
2 [~~representative~~] shall subtract from the city's rollback and  
3 no-new-revenue [~~effective~~] tax rates the amount that, if applied to  
4 the city's current total value, would impose an amount equal to the  
5 amount of property taxes budgeted in the current tax year to pay for  
6 expenses related to mass transit services.

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

11 SECTION 33. The heading to Section 26.044, Tax Code, is  
12 amended to read as follows:

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

15 SECTION 34. Sections 26.044(a), (b), and (c), Tax Code, are  
16 amended to read as follows:

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

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

24 (b) In the second and subsequent years that a county adopts  
25 a tax rate, if the amount spent by the county for the state criminal  
26 justice mandate increased over the previous year, the  
27 no-new-revenue [~~effective~~] maintenance and operation rate for the  
28 county is increased by the rate calculated according to the  
29 following formula:

30 (This Year's State Criminal Justice Mandate - Previous  
31 Year's State Criminal Justice Mandate) / (Current

1 Total Value - New Property Value)

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

7 SECTION 35. Sections 26.0441(a), (b), and (c), Tax Code,  
8 are amended to read as follows:

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

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

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

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

28 (c) The taxing unit shall include a notice of the increase  
29 in its no-new-revenue [~~effective~~] maintenance and operations rate  
30 provided by this section, including a brief description and the  
31 amount of the enhanced indigent health care expenditures, in the

1 information published under Section 26.04(e) and, if applicable,  
2 Section 26.06(b).

3 SECTION 36. Section 26.05, Tax Code, is amended by amending  
4 Subsections (a), (b), (c), (d), (e), and (g) and adding Subsections  
5 (d-1), (d-2), and (e-1) to read as follows:

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

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

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

26 (b) A taxing unit may not impose property taxes in any year  
27 until the governing body has adopted a tax rate for that year, and  
28 the annual tax rate must be set by ordinance, resolution, or order,  
29 depending on the method prescribed by law for adoption of a law by  
30 the governing body. The vote on the ordinance, resolution, or order  
31 setting the tax rate must be separate from the vote adopting the

1 budget. For a taxing unit other than a school district, the vote on  
2 the ordinance, resolution, or order setting a tax rate that exceeds  
3 the no-new-revenue [~~effective~~] tax rate must be a record vote, and  
4 at least 60 percent of the members of the governing body must vote  
5 in favor of the ordinance, resolution, or order. For a school  
6 district, the vote on the ordinance, resolution, or order setting a  
7 tax rate that exceeds the sum of the no-new-revenue [~~effective~~]  
8 maintenance and operations tax rate of the district as determined  
9 under Section 26.08(i) and the district's current debt rate must be  
10 a record vote, and at least 60 percent of the members of the  
11 governing body must vote in favor of the ordinance, resolution, or  
12 order. A motion to adopt an ordinance, resolution, or order setting  
13 a tax rate that exceeds the no-new-revenue [~~effective~~] tax rate  
14 must be made in the following form: "I move that the property tax  
15 rate be increased by the adoption of a tax rate of (specify tax  
16 rate), which is effectively a (insert percentage by which the  
17 proposed tax rate exceeds the no-new-revenue [~~effective~~] tax rate)  
18 percent increase in the tax rate." If the ordinance, resolution, or  
19 order sets a tax rate that, if applied to the total taxable value,  
20 will impose an amount of taxes to fund maintenance and operation  
21 expenditures of the taxing unit that exceeds the amount of taxes  
22 imposed for that purpose in the preceding year, the taxing unit  
23 must:

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

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

29 (B) if the tax rate exceeds the no-new-revenue  
30 [~~effective~~] maintenance and operations rate, the following  
31 statement: "THE TAX RATE WILL EFFECTIVELY BE RAISED BY (INSERT

1 PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE NO-NEW-REVENUE  
2 [~~EFFECTIVE~~] MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE  
3 TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY  
4 APPROXIMATELY \$(Insert amount)."; and

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

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

10 (B) if the tax rate exceeds the no-new-revenue  
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 NO-NEW-REVENUE  
14 [~~EFFECTIVE~~] MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE  
15 TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY  
16 APPROXIMATELY \$(Insert amount)."

17 (c) If the governing body of a taxing unit does not adopt a  
18 tax rate before the date required by Subsection (a), the tax rate  
19 for the taxing unit for that tax year is the lower of the  
20 no-new-revenue [~~effective~~] tax rate calculated for that tax year or  
21 the tax rate adopted by the taxing unit for the preceding tax year.  
22 A tax rate established by this subsection is treated as an adopted  
23 tax rate. Before the fifth day after the establishment of a tax  
24 rate by this subsection, the governing body of the taxing unit must  
25 ratify the applicable tax rate in the manner required by Subsection  
26 (b).

27 (d) The governing body of a taxing unit other than a school  
28 district may not adopt a tax rate that exceeds the lower of the  
29 rollback tax rate or the no-new-revenue [~~effective~~] tax rate  
30 calculated as provided by this chapter until the governing body has  
31 held two public hearings on the proposed tax rate and has otherwise



1 complied with Section 26.06 and Section 26.065. The governing body  
2 of a taxing unit shall reduce a tax rate set by law or by vote of the  
3 electorate to the lower of the rollback tax rate or the  
4 no-new-revenue [~~effective~~] tax rate and may not adopt a higher rate  
5 unless it first complies with Section 26.06.

6 (d-1) The governing body of a taxing unit may not hold a  
7 public hearing on a proposed tax rate or a public meeting to adopt a  
8 tax rate until the 14th day after the date the officer or employee  
9 designated by the governing body of the taxing unit to calculate the  
10 no-new-revenue tax rate and the rollback tax rate for the taxing  
11 unit complies with Section 26.17.

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

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

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

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

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

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

29 (e) A person who owns taxable property is entitled to an  
30 injunction restraining the collection of taxes by a taxing unit in  
31 which the property is taxable if the taxing unit has not complied

1 with the requirements of this section or Section 26.04 [~~and the~~  
2 ~~failure to comply was not in good faith~~]. It is a defense in an  
3 action for an injunction under this subsection that the failure to  
4 comply was in good faith. An action to enjoin the collection of  
5 taxes must be filed not later than the 15th day after the date the  
6 taxing unit adopts a tax rate. A property owner is not required to  
7 pay the taxes imposed by a taxing unit on the owner's property while  
8 an action filed by the property owner to enjoin the collection of  
9 taxes imposed by the taxing unit on the owner's property is pending.  
10 If the property owner pays the taxes and subsequently prevails in  
11 the action, the property owner is entitled to a refund of the taxes  
12 paid, together with reasonable attorney's fees and court costs.  
13 The property owner is not required to apply to the collector for the  
14 taxing unit to receive the refund [~~prior to the date a taxing unit~~  
15 ~~delivers substantially all of its tax bills~~].

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

28 (g) Notwithstanding Subsection (a), the governing body of a  
29 school district that elects to adopt a tax rate before the adoption  
30 of a budget for the fiscal year that begins in the current tax year  
31 may adopt a tax rate for the current tax year before receipt of the

1 certified appraisal roll for the school district if the chief  
2 appraiser of the appraisal district in which the school district  
3 participates has certified to the assessor for the school district  
4 an estimate of the taxable value of property in the school district  
5 as provided by Section 26.01(e). If a school district adopts a tax  
6 rate under this subsection, the no-new-revenue [~~effective~~] tax rate  
7 and the rollback tax rate of the district shall be calculated based  
8 on the certified estimate of taxable value.

9 SECTION 37. Section 26.052, Tax Code, is amended by  
10 amending Subsection (e) and adding Subsection (f) to read as  
11 follows:

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

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

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

19 (3) if the proposed tax rate for the taxing unit  
20 exceeds the taxing unit's no-new-revenue [~~effective~~] tax rate  
21 calculated as provided by Section 26.04, a statement substantially  
22 identical to the following: "The proposed tax rate would increase  
23 total taxes in (name of taxing unit) by (percentage by which the  
24 proposed tax rate exceeds the no-new-revenue [~~effective~~] tax  
25 rate)."

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

1 SECTION 38. Section 26.06, Tax Code, is amended by amending  
2 Subsections (b), (c), (d), and (e) and adding Subsections (b-1),  
3 (b-2), (b-3), and (b-4) to read as follows:

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

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

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

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

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

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

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

1 ~~the average home was \$\_\_\_\_\_ (tax on average taxable value of a~~  
2 ~~residence homestead in the taxing unit for the preceding tax year,~~  
3 ~~disregarding residence homestead exemptions available only to~~  
4 ~~disabled persons or persons 65 years of age or older).~~

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

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

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

25 (b-1) If the proposed tax rate exceeds the no-new-revenue  
26 tax rate and the rollback tax rate of the taxing unit, the notice  
27 must contain a statement in the following form:

28 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

29	<u>"PROPOSED TAX RATE</u>	<u>\$_____ per \$100</u>
30	<u>"NO-NEW-REVENUE TAX RATE</u>	<u>\$_____ per \$100</u>
31	<u>"ROLLBACK TAX RATE</u>	<u>\$_____ per \$100</u>

1 "The no-new-revenue tax rate is the tax rate for the (current  
2 tax year) tax year that will raise the same amount of property tax  
3 revenue for (name of taxing unit) from the same properties in both  
4 the (preceding tax year) tax year and the (current tax year) tax  
5 year.

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

9 "The proposed tax rate is greater than the no-new-revenue tax  
10 rate. This means that (name of taxing unit) is proposing to  
11 increase property taxes for the (current tax year) tax year.

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

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

16 "The proposed tax rate is also greater than the rollback tax  
17 rate. If (name of taxing unit) adopts the proposed tax rate, (name  
18 of taxing unit) is required to hold an election so that the voters  
19 may accept or reject the proposed tax rate. If a majority of the  
20 voters reject the proposed tax rate, the (name of taxing unit) will  
21 be required to adopt a new tax rate that is not greater than the  
22 rollback tax rate. The election will be held on (date of election).

23 You may contact the (name of office responsible for administering  
24 the election) for information about voting locations. The hours of  
25 voting on election day are (voting hours).

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

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

30 "(Names of all members of the governing body, showing how  
31 each voted on the proposal to consider the tax increase or, if one

1 or more were absent, indicating the absences.)"

2 (b-2) If the proposed tax rate exceeds the no-new-revenue  
3 tax rate but does not exceed the rollback tax rate of the taxing  
4 unit, the notice must contain a statement in the following form:

5 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

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

7 "NO-NEW-REVENUE TAX RATE \$ \_\_\_\_\_ per \$100

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

9 "The no-new-revenue tax rate is the tax rate for the (current  
10 tax 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 without holding an election to ratify the  
16 rate.

17 "The proposed tax rate is greater than the no-new-revenue tax  
18 rate. This means that (name of taxing unit) is proposing to  
19 increase property taxes for the (current tax year) tax year.

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

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

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

31 "Your taxes owed under any of the tax rates mentioned above

1 can be calculated as follows:

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

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

7 (b-3) If the proposed tax rate does not exceed the  
8 no-new-revenue tax rate but exceeds the rollback tax rate of the  
9 taxing unit, the notice must contain a statement in the following  
10 form:

11 "NOTICE OF PUBLIC HEARING ON TAX RATE

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

13 "NO-NEW-REVENUE TAX RATE            \$\_\_\_\_\_ per \$100

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

15 "The no-new-revenue tax rate is the tax rate for the (current  
16 tax year) tax year that will raise the same amount of property tax  
17 revenue for (name of taxing unit) from the same properties in both  
18 the (preceding tax year) tax year and the (current tax year) tax  
19 year.

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

23 "The proposed tax rate is not greater than the no-new-revenue  
24 tax rate. This means that (name of taxing unit) is not proposing to  
25 increase property taxes for the (current tax year) tax year.

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

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

30 "The proposed tax rate is greater than the rollback tax rate.  
31 If (name of taxing unit) adopts the proposed tax rate, (name of



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

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

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

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

16 (b-4) In addition to including the information described by  
17 Subsection (b-1), (b-2), or (b-3), as applicable, the notice must  
18 include the information described by Section 26.062.

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

29 (d) At the public hearings the governing body shall announce  
30 the date, time, and place of the meeting at which it will vote on the  
31 proposed tax rate. After each hearing the governing body shall give

1 notice of the meeting at which it will vote on the proposed tax rate  
2 and the notice shall be in the same form as prescribed by  
3 Subsections (b) and (c), except that it must state the following:

4 "NOTICE OF TAX REVENUE INCREASE

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

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

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

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

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

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

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

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

15 SECTION 39. Chapter 26, Tax Code, is amended by adding  
16 Sections 26.061 and 26.062 to read as follows:

17 Sec. 26.061. NOTICE OF MEETING TO VOTE ON PROPOSED TAX RATE  
18 THAT DOES NOT EXCEED LOWER OF NO-NEW-REVENUE OR ROLLBACK TAX RATE.

19 (a) This section applies only to the governing body of a taxing  
20 unit other than a school district that proposes to adopt a tax rate  
21 that does not exceed the lower of the no-new-revenue tax rate or the  
22 rollback tax rate calculated as provided by this chapter.

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

26 "NOTICE OF MEETING TO VOTE ON TAX RATE  
27 "PROPOSED TAX RATE                   \$\_\_\_\_\_ per \$100  
28 "NO-NEW-REVENUE TAX RATE         \$\_\_\_\_\_ per \$100  
29 "ROLLBACK TAX RATE                 \$\_\_\_\_\_ per \$100

30 "The no-new-revenue tax rate is the tax rate for the (current  
31 tax 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 not greater than the no-new-revenue  
8 tax rate. This means that (name of taxing unit) is not proposing to  
9 increase property taxes for the (current tax year) tax year.

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

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

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

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

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

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

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

1 notice:

2 (1) a statement in the following form:

3 "The following table compares the taxes imposed on the  
4 average residence homestead by (name of taxing unit) last year to  
5 the taxes proposed to be imposed on the average residence homestead  
6 by (name of taxing unit) this year:";

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

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

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

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

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

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

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

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

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

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

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

31 (1) the first column of the second row must be entitled

1 "Total tax rate (per \$100 of value)";  
2 (2) the second column of the second row must state the  
3 adopted tax rate for the preceding tax year;  
4 (3) the third column of the second row must state the  
5 proposed tax rate for the current tax year; and  
6 (4) the fourth column of the second row must state the  
7 nominal and percentage difference between the adopted tax rate for  
8 the preceding tax year and the proposed tax rate for the current tax  
9 year as follows: "(increase or decrease, as applicable) of  
10 (nominal difference between tax rate stated in second column of  
11 second row and tax rate stated in third column of second row) per  
12 \$100, or (percentage difference between tax rate stated in second  
13 column of second row and tax rate stated in third column of second  
14 row)%".  
15 (e) The third row must appear as follows:  
16 (1) the first column of the third row must be entitled  
17 "Average homestead taxable value";  
18 (2) the second column of the third row must state the  
19 average taxable value of a residence homestead in the taxing unit  
20 for the preceding tax year;  
21 (3) the third column of the third row must state the  
22 average taxable value of a residence homestead in the taxing unit  
23 for the current tax year; and  
24 (4) the fourth column of the third row must state the  
25 percentage difference between the average taxable value of a  
26 residence homestead in the taxing unit for the preceding tax year  
27 and the average taxable value of a residence homestead in the taxing  
28 unit for the current tax year as follows: "(increase or decrease,  
29 as applicable) of (percentage difference between amount stated in  
30 second column of third row and amount stated in third column of  
31 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  
28 column of fourth row and amount stated in third column of fourth  
29 row)%".

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

31                   (1) the first column of the fifth row must be entitled

1 "Total tax levy on all properties";

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

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

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

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

23 SECTION 40. Section 26.065(b), Tax Code, is amended to read  
24 as follows:

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



1 SECTION 41. The heading to Section 26.08, Tax Code, is  
2 amended to read as follows:

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

5 SECTION 42. Section 26.08, Tax Code, is amended by amending  
6 Subsections (a), (b), (d), (d-1), (d-2), (e), (g), (h), (i), (n),  
7 and (p) and adding Subsections (b-1) and (q) to read as follows:

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

22 (b) This subsection applies only to a taxing unit other than  
23 a school district. The governing body shall order that the election  
24 be held in the taxing unit [~~school district~~] on the uniform election  
25 date prescribed by [~~a date not less than 30 or more than 90 days~~  
26 ~~after the day on which it adopted the tax rate.~~] Section 41.001,  
27 Election Code, that occurs in November of the applicable tax year.  
28 The order calling the election may not be issued later than August  
29 15 [~~does not apply to the election unless a date specified by that~~  
30 ~~section falls within the time permitted by this section~~]. At the  
31 election, the ballots shall be prepared to permit voting for or

1 against the proposition: "Approving the ad valorem tax rate of  
2 \$\_\_\_\_\_ per \$100 valuation in (name of taxing unit [~~school~~  
3 ~~district~~]) for the current year, a rate that is \$\_\_\_\_\_ higher per  
4 \$100 valuation than the [~~school district~~] rollback tax rate of  
5 (name of taxing unit), for the purpose of (description of purpose of  
6 increase)." The ballot proposition must include the adopted tax  
7 rate and the difference between that rate and the rollback tax rate  
8 in the appropriate places.

9 (b-1) This subsection applies only to a school district.  
10 The governing body of a school district shall order that the  
11 election be held in the school district on the uniform election date  
12 prescribed by Section 41.001, Election Code, that occurs in  
13 November of the applicable tax year. The order calling the election  
14 may not be issued later than August 15. At the election, the  
15 ballots shall be prepared to permit voting for or against the  
16 proposition: "Approving the ad valorem tax rate of \$\_\_\_ per \$100  
17 valuation in (name of school district) for the current year, a rate  
18 that is \$\_\_\_\_\_ higher per \$100 valuation than the rollback tax rate  
19 of (name of school district), for the purpose of (description of  
20 purpose of increase). This rate will allow the school district to  
21 collect an amount of maintenance and operations tax revenue that is  
22 at least 2.5 percent greater than the amount of that revenue that  
23 was collected by the school district in the preceding year." The  
24 ballot proposition must include the adopted tax rate and the  
25 difference between that rate and the rollback tax rate in the  
26 appropriate places.

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

31 (d-1) If, after tax bills for the taxing unit [~~school~~

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

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

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

31 (g) In a school district that received distributions from an

1 equalization tax imposed under former Chapter 18, Education Code,  
2 the no-new-revenue tax [~~effective~~] rate of that tax as of the date  
3 of the county unit system's abolition is added to the district's  
4 rollback tax rate.

5 (h) For purposes of this section, increases in taxable  
6 values and tax levies occurring within a reinvestment zone  
7 designated under Chapter 311 [~~(Tax Increment Financing Act)~~] in  
8 which a school [~~the~~] district is a participant[~~7~~] shall be  
9 eliminated from the calculation of the tax rate adopted by the  
10 governing body of the school district.

11 (i) For purposes of this section, the no-new-revenue  
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 (n) For purposes of this section, the rollback tax rate of a  
25 school district [~~whose maintenance and operations tax rate for the~~  
26 ~~2005 tax year was \$1.50 or less per \$100 of taxable value~~] is the sum  
27 of the following:

28 (1) the rate per \$100 of taxable value that is equal to  
29 the product of the no-new-revenue maintenance and operations tax  
30 rate of the district as computed under Subsection (i) and 1.025 [~~for~~  
31 ~~the 2006 tax year, the sum of the rate that is equal to 88.67 percent~~

1 ~~of the maintenance and operations tax rate adopted by the district~~  
2 ~~for the 2005 tax year, the rate of \$0.04 per \$100 of taxable value,~~  
3 ~~and the district's current debt rate]; and~~

4 (2) ~~[for the 2007 and subsequent tax years, the lesser~~  
5 ~~of the following:~~

6 ~~[(A) the sum of the following:~~

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

11 ~~[(ii) the rate of \$0.04 per \$100 of taxable~~  
12 ~~value,~~

13 ~~[(iii) the rate that is equal to the sum of~~  
14 ~~the differences for the 2006 and each subsequent tax year between~~  
15 ~~the adopted tax rate of the district for that year if the rate was~~  
16 ~~approved at an election under this section and the rollback tax rate~~  
17 ~~of the district for that year, and~~

18 ~~[(iv) the district's current debt rate, or~~

19 ~~[(B) the sum of the following:~~

20 ~~[(i) the effective maintenance and~~  
21 ~~operations tax rate of the district as computed under Subsection~~  
22 ~~(i) or (k), as applicable,~~

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

27 ~~[(iii)] the district's current debt rate.~~

28 (p) Notwithstanding Subsections (i) and [7] (n), ~~[and (o),]~~  
29 if for the preceding tax year a school district adopted a  
30 maintenance and operations tax rate that was less than the  
31 district's no-new-revenue [effective] maintenance and operations

1 tax rate for that preceding tax year, the rollback tax rate of the  
2 district for the current tax year is calculated as if the district  
3 adopted a maintenance and operations tax rate for the preceding tax  
4 year that was equal to the district's no-new-revenue [effective]  
5 maintenance and operations tax rate for that preceding tax year.

6 (g) Except as otherwise expressly provided by law, this  
7 section does not apply to a tax imposed by a taxing unit if a  
8 provision of an uncodified local or special law enacted by the 86th  
9 Legislature, Regular Session, 2019, or by an earlier legislature  
10 provides that former Section 26.07 does not apply to a tax imposed  
11 by the taxing unit.

12 SECTION 43. The heading to Section 26.16, Tax Code, is  
13 amended to read as follows:

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

16 SECTION 44. Section 26.16, Tax Code, is amended by amending  
17 Subsections (a) and (d) and adding Subsections (a-1), (d-1), and  
18 (d-2) to read as follows:

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

- 25 (1) the adopted tax rate;
- 26 (2) the maintenance and operations rate;
- 27 (3) the debt rate;
- 28 (4) the no-new-revenue [effective] tax rate;
- 29 (5) the no-new-revenue [effective] maintenance and  
30 operations rate; and
- 31 (6) the rollback tax rate.

1        (a-1) For purposes of Subsection (a), a reference to the  
2 no-new-revenue tax rate or the no-new-revenue maintenance and  
3 operations rate includes the equivalent effective tax rate or  
4 effective maintenance and operations rate for a preceding year.  
5 This subsection expires January 1, 2026.

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

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

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

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

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

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

28        "The no-new-revenue [~~effective~~] maintenance and operations  
29 rate is the tax rate that would generate the same amount of revenue  
30 for maintenance and operations in the current tax year as was  
31 generated by a taxing unit's maintenance and operations rate in the

1 preceding tax year from property that is taxable in both the current  
2 tax year and the preceding tax year.

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

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

15 (1) the tax rate calculation forms used by the  
16 designated officer or employee of each taxing unit to calculate the  
17 no-new-revenue and rollback tax rates of the taxing unit for the  
18 most recent five tax years beginning with the 2020 tax year, as  
19 certified by the designated officer or employee under Section  
20 26.04(d-2); and

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

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

27 SECTION 45. Chapter 26, Tax Code, is amended by adding  
28 Sections 26.17 and 26.18 to read as follows:

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



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

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

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

11           (4) is accessible to the public; and

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

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

16           (1) the property's identification number;

17           (2) the property's market value;

18           (3) the property's taxable value;

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

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

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

24           (B) the rollback tax rate;

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

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

30           (B) the rollback tax rate;

31           (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 taxing unit adopted a tax rate equal to:  
5 (A) the no-new-revenue 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, time, and location of each public  
23 hearing, if applicable, on the proposed tax rate to be held by the  
24 governing body of each taxing unit in which the property is located;  
25 (13) the date, time, and location of the public  
26 meeting at which the tax rate will be adopted to be held by the  
27 governing body of each taxing unit in which the property is located;  
28 and  
29 (14) for each taxing unit in which the property is  
30 located, an e-mail address at which the taxing unit is capable of  
31 receiving written comments regarding the proposed tax rate of the

1 taxing unit.

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

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

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

12 "(1) the names of and contact information for each  
13 member of the governing body of the taxing unit;

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

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

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

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

25 (e) The database must include the following definition of  
26 the no-new-revenue tax rate: "The no-new-revenue tax rate is last  
27 year's tax rate, adjusted for changes in taxable value. The  
28 no-new-revenue tax rate takes into account all property on the tax  
29 roll for both last year and this year."

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

1 rollback tax rate for the taxing unit must electronically:

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

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

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

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

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

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

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

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

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

31 (5) the taxing unit's proposed or adopted budget for

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

1 unit.

2 SECTION 46. Sections 31.12(a) and (b), Tax Code, are  
3 amended to read as follows:

4 (a) If a refund of a tax provided by Section 11.431(b),  
5 26.08(d-2) [~~26.07(g)~~], 26.15(f), 31.11, 31.111, or 31.112 is paid  
6 on or before the 60th day after the date the liability for the  
7 refund arises, no interest is due on the amount refunded. If not  
8 paid on or before that 60th day, the amount of the tax to be refunded  
9 accrues interest at a rate of one percent for each month or part of a  
10 month that the refund is unpaid, beginning with the date on which  
11 the liability for the refund arises.

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

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

17 (2) if the refund is required by Section 26.08(d-2)  
18 [~~26.07(g)~~], on the date the subsequent tax rate is adopted [~~results~~  
19 ~~of the election to reduce the tax rate are certified~~];

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

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

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

28 (4) if the refund is required by Section 31.11, on the  
29 date the auditor for the taxing unit determines that the payment was  
30 erroneous or excessive or, if the amount of the refund exceeds the  
31 applicable amount specified by Section 31.11(a), on the date the

1 governing body of the taxing unit approves the refund;

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

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

7 SECTION 47. Section 33.08(b), Tax Code, is amended to read  
8 as follows:

9 (b) The governing body of the taxing unit or appraisal  
10 district, in the manner required by law for official action, may  
11 provide that taxes that become delinquent on or after June 1 under  
12 Section 26.08(d-1) [~~26.07(f)~~], 26.15(e), 31.03, 31.031, 31.032,  
13 31.04, or 42.42 incur an additional penalty to defray costs of  
14 collection. The amount of the penalty may not exceed the amount of  
15 the compensation specified in the applicable contract with an  
16 attorney under Section 6.30 to be paid in connection with the  
17 collection of the delinquent taxes.

18 SECTION 48. Section 41.03(a), Tax Code, is amended to read  
19 as follows:

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

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

25 [~~2~~] an exclusion of property from the appraisal  
26 records;

27 (2) [~~3~~] a grant in whole or in part of a partial  
28 exemption;

29 (3) [~~4~~] a determination that land qualifies for  
30 appraisal as provided by Subchapter C, D, E, or H, Chapter 23; or

31 (4) [~~5~~] failure to identify the taxing unit as one

1 in which a particular property is taxable.

2 SECTION 49. Section 41.12(a), Tax Code, is amended to read  
3 as follows:

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

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

7 (2) determine all timely filed challenges;

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

10 (4) approve the records.

11 SECTION 50. Section 41.44(d), Tax Code, is amended to read  
12 as follows:

13 (d) A notice of protest is sufficient if it identifies the  
14 protesting property owner, including a person claiming an ownership  
15 interest in the property even if that person is not listed on the  
16 appraisal records as an owner of the property, identifies the  
17 property that is the subject of the protest, and indicates apparent  
18 dissatisfaction with some determination of the appraisal office.

19 The notice need not be on an official form, but the comptroller  
20 shall prescribe a form that provides for more detail about the  
21 nature of the protest. The form must permit a property owner to  
22 include each property in the appraisal district that is the subject  
23 of a protest. The form must permit a property owner to request that

24 the protest be heard by a special panel established under Section  
25 6.425 if the protest will be determined by an appraisal review board  
26 to which that section applies and the property is included in a  
27 classification described by Section 6.425(b). The comptroller,

28 each appraisal office, and each appraisal review board shall make  
29 the forms readily available and deliver one to a property owner on  
30 request.

31 SECTION 51. Section 41.45, Tax Code, is amended by amending



1 Subsection (d) and adding Subsections (d-1), (d-2), and (d-3) to  
2 read as follows:

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

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

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

31 (d-3) The board must deliver notice of a hearing or meeting

1 to determine a protest heard by a panel, or to rehear a protest,  
2 under Subsection (d) or (d-1) in accordance with the provisions of  
3 this subchapter.

4 SECTION 52. Section 41.46(a), Tax Code, is amended to read  
5 as follows:

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

14 SECTION 53. Section 41.461, Tax Code, is amended to read as  
15 follows:

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

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

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

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

1           (b) The chief appraiser may not charge a property owner or  
2 the designated agent of the owner for copies provided to the [an]  
3 owner or designated agent under this section, regardless of the  
4 manner in which the copies are prepared or delivered [may not exceed  
5 the charge for copies of public information as provided under  
6 Subchapter F, Chapter 552, Government Code, except:

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

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

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

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

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

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

29           (d) If a chief appraiser provides a property owner or the  
30 agent of the owner information under Subsection (c)(3), the notice  
31 must contain a statement in a conspicuous font that clearly

1 indicates that the property owner or the agent of the owner may on  
2 request receive the information by regular first-class mail or in  
3 person at the appraisal office. On request by a property owner or  
4 the agent of the owner, the chief appraiser must provide the  
5 information by regular first-class mail or in person at the  
6 appraisal office.

7 SECTION 54. Section 41.47, Tax Code, is amended by adding  
8 Subsections (c-2) and (f) and amending Subsection (e) to read as  
9 follows:

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

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

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

27 SECTION 55. Section 41.66, Tax Code, is amended by amending  
28 Subsections (h), (i), (j), and (k) and adding Subsections (j-1),  
29 (k-1), and (p) to read as follows:

30 (h) The appraisal review board shall postpone a hearing on a  
31 protest if the property owner or the designated agent of the owner

1 requests additional time to prepare for the hearing and establishes  
2 to the board that the chief appraiser failed to comply with Section  
3 41.461. The board is not required to postpone a hearing more than  
4 one time under this subsection.

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

12 (j) On the request of a property owner or the [~~a~~] designated  
13 agent of the owner, an appraisal review board shall schedule  
14 hearings on protests concerning up to 20 designated properties to  
15 be held consecutively on the same day. The designated properties  
16 must be identified in the same notice of protest, and the notice  
17 must contain in boldfaced type the statement "request for same-day  
18 protest hearings." A property owner or the designated agent of the  
19 owner may [~~not~~] file more than one request under this subsection  
20 with the appraisal review board in the same tax year. The appraisal  
21 review board may schedule hearings on protests concerning more than  
22 20 properties filed by the same property owner or the designated  
23 agent of the owner and may use different panels to conduct the  
24 hearings based on the board's customary scheduling. The appraisal  
25 review board may follow the practices customarily used by the board  
26 in the scheduling of hearings under this subsection.

27 (j-1) An appraisal review board may schedule the hearings on  
28 all protests filed by a property owner or the designated agent of  
29 the owner to be held consecutively. The notice of the hearings must  
30 state the date and time that the first hearing will begin, state the  
31 date the last hearing will end, and list the order in which the

1 hearings will be held. The order of the hearings listed in the  
2 notice may not be changed without the agreement of the property  
3 owner or the designated agent of the owner, the chief appraiser, and  
4 the appraisal review board. The board may not reschedule a hearing  
5 for which notice is given under this subsection to a date earlier  
6 than the seventh day after the date the last hearing was scheduled  
7 to end unless agreed to by the property owner or the designated  
8 agent of the owner, the chief appraiser, and the appraisal review  
9 board. Unless agreed to by the parties, the board must provide  
10 written notice of the date and time of the rescheduled hearing to  
11 the property owner or the designated agent of the owner not later  
12 than the seventh day before the date of the hearing.

13 (k) This subsection does not apply to a special panel  
14 established under Section 6.425. If an appraisal review board sits  
15 in panels to conduct protest hearings, protests shall be randomly  
16 assigned to panels, except that the board may consider the type of  
17 property subject to the protest or the ground of the protest for the  
18 purpose of using the expertise of a particular panel in hearing  
19 protests regarding particular types of property or based on  
20 particular grounds. If a protest is scheduled to be heard by a  
21 particular panel, the protest may not be reassigned to another  
22 panel without the consent of the property owner or the designated  
23 agent of the owner. If the appraisal review board has cause to  
24 reassign a protest to another panel, a property owner or the  
25 designated agent of the owner may agree to reassignment of the  
26 protest or may request that the hearing on the protest be postponed.  
27 The board shall postpone the hearing on that request. A change of  
28 members of a panel because of a conflict of interest, illness, or  
29 inability to continue participating in hearings for the remainder  
30 of the day does not constitute reassignment of a protest to another  
31 panel.

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

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

25       SECTION 56. Section 41.67(d), Tax Code, is amended to read  
26 as follows:

27       (d) Information that was previously requested under Section  
28 41.461 by the protesting party that was not delivered [~~made~~  
29 ~~available~~] to the protesting party at least 14 days before the  
30 scheduled or postponed hearing may not be used or offered in any  
31 form as evidence in the hearing, including as a document or through

1 argument or testimony.

2 SECTION 57. Section 41.71, Tax Code, is amended to read as  
3 follows:

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

8 (b) The board may not schedule:

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

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

12 SECTION 58. Section 41A.06(b), Tax Code, is amended to read  
13 as follows:

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

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

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

18 (B) have:

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

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

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

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

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

31 (2) complete the course for training and education of



1 appraisal review board members established under Section 5.041 and  
2 be issued a certificate indicating course completion;

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

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

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

12                   (B) \$450, if the property qualifies as the  
13 owner's residence homestead under Section 11.13 and the appraised  
14 or market value, as applicable, of the property is more than  
15 \$500,000, as determined by the order;

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

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

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

29                   (F) \$1,500, if the property does not qualify as  
30 the owner's residence homestead under Section 11.13 and the  
31 appraised or market value, as applicable, of the property is more

1 than \$3 million but not more than \$5 million, as determined by the  
2 order.

3 SECTION 59. Section 41A.061(b), Tax Code, is amended to  
4 read as follows:

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

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

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

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

15 SECTION 60. Section 41A.07, Tax Code, is amended by  
16 amending Subsections (e), (f), and (g) and adding Subsection (h) to  
17 read as follows:

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

20 [~~(1) in the county in which the property that is the~~  
21 ~~subject of the appeal is located, or~~

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

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

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

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

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

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

8 (h) A property owner may request that, in appointing an  
9 initial arbitrator under this section, the comptroller appoint an  
10 arbitrator who resides in the county in which the property that is  
11 the subject of the appeal is located or an arbitrator who resides  
12 outside that county. In appointing an initial arbitrator under  
13 Subsection (a), the comptroller shall comply with the request of  
14 the property owner unless the property owner requests that the  
15 comptroller appoint an arbitrator who resides in the county in  
16 which the property that is the subject of the appeal is located and  
17 there is not an available arbitrator who resides in that county. In  
18 appointing a substitute arbitrator under Subsection (d), the  
19 comptroller shall consider but is not required to comply with the  
20 request of the property owner. This subsection does not authorize a  
21 property owner to request the appointment of a specific individual  
22 as an arbitrator.

23 SECTION 61. Section 41A.09(b), Tax Code, is amended to read  
24 as follows:

25 (b) An award under this section:

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

29 (2) may include any remedy or relief a court may order  
30 under Chapter 42 in an appeal relating to the appraised or market  
31 value of property;

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

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

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

8           SECTION 62. Section 45.105(e), Education Code, is amended  
9 to read as follows:

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

28          SECTION 63. Section 130.016(b), Education Code, is amended  
29 to read as follows:

30          (b) If the board of trustees of an independent school  
31 district that divests itself of the management, control, and

1 operation of a junior college district under this section or under  
2 Section 130.017 [~~of this code~~] was authorized by [~~Subsection (e)~~  
3 ~~of~~] Section 45.105(e) or under former Section 20.48(e) [~~20.48 of~~  
4 ~~this code~~] to dedicate a portion of its tax levy to the junior  
5 college district before the divestment, the junior college district  
6 may levy an ad valorem tax from and after the divestment. In the  
7 first two years in which the junior college district levies an ad  
8 valorem tax, the tax rate adopted by the governing body may not  
9 exceed the rate that, if applied to the total taxable value  
10 submitted to the governing body under Section 26.04, Tax Code,  
11 would impose an amount equal to the amount of taxes of the school  
12 district dedicated to the junior college under [~~Subsection (e) of~~]  
13 Section 45.105(e) or former Section 20.48(e) [~~20.48 of this code~~]  
14 in the last dedication before the divestment. In subsequent years,  
15 the tax rate of the junior college district is subject to Section  
16 26.08 [~~26.07~~], Tax Code.

17 SECTION 64. Section 403.302(o), Government Code, is amended  
18 to read as follows:

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

23 SECTION 65. Sections 281.124(d) and (e), Health and Safety  
24 Code, are amended to read as follows:

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

30 (e) If the proposition is not approved as provided by  
31 Subsection (d) [~~(e)~~], the board may not adopt a tax rate for the

1 district for the specified tax year that exceeds the rate that was  
2 not approved, and Section 26.08 [~~26.07~~], Tax Code, applies to the  
3 adopted rate if that rate exceeds the district's rollback tax rate.

4 SECTION 66. Section 102.007(d), Local Government Code, is  
5 amended to read as follows:

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

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

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

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

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

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

31 (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 no-new-revenue [~~effective~~] tax rate;
- 5 (C) the no-new-revenue [~~effective~~] maintenance  
6 and 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 67. 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  
28 (insert amount computed by multiplying the proposed tax rate by the  
29 value of new property added to the roll)."; or

30 (C) "This budget will raise the same amount of  
31 revenue from property taxes as last year's budget. The property tax

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

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

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

9 (A) the property tax rate;

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

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

13 (D) the rollback tax rate; and

14 (E) the debt rate; and

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

16 SECTION 68. Section 111.039(d), Local Government Code, is  
17 amended to read as follows:

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

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

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

29 (B) "This budget will raise less revenue from  
30 property taxes than last year's budget by an amount of (insert total  
31 dollar amount of decrease), which is a (insert percentage decrease)



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

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

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

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

15 (A) the property tax rate;

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

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

19 (D) the rollback tax rate; and

20 (E) the debt rate; and

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

22 SECTION 69. Section 111.068(c), Local Government Code, is  
23 amended to read as follows:

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

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

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

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

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

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

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

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

21 (A) the property tax rate;

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

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

25 (D) the rollback tax rate; and

26 (E) the debt rate; and

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

28 SECTION 70. Section 1101.254(f), Special District Local  
29 Laws Code, is amended to read as follows:

30 (f) This section does not affect the applicability of ~~[any~~  
31 ~~rights district voters may have to petition for an election under]~~

1 Section 26.08 [~~26.07~~], Tax Code, to the district's tax rate, except  
2 that if district voters approve a tax rate increase under this  
3 section, [~~the voters may not petition for an election under~~]  
4 Section 26.08 [~~26.07~~], Tax Code, does not apply [~~as~~] to the tax rate  
5 for that year.

6 SECTION 71. Sections 1122.2522, 3828.157, and 8876.152,  
7 Special District Local Laws Code, are amended to read as follows:

8 Sec. 1122.2522. ROLLBACK TAX RATE PROVISIONS APPLICABLE.

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

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

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

21 Sec. 8876.152. APPLICABILITY OF CERTAIN TAX PROVISIONS.

22 (a) Sections 26.04, 26.05, 26.06, 26.061, and 26.08 [~~26.07~~], Tax  
23 Code, do not apply to a tax imposed by the district.

24 (b) Sections 49.236(a)(1) and (2) and (b) [~~Section 49.236~~],  
25 Water Code, apply [~~as added by Chapter 248 (H.B. 1541), Acts of the~~  
26 ~~78th Legislature, Regular Session, 2003, applies~~] to the district.

27 SECTION 72. Section 49.107(g), Water Code, is amended to  
28 read as follows:

29 (g) Sections 26.04, 26.05, 26.061, and 26.08 [~~26.07~~], Tax  
30 Code, do not apply to a tax levied and collected under this section  
31 or an ad valorem tax levied and collected for the payment of the

1 interest on and principal of bonds issued by a district.

2 SECTION 73. Section 49.108(f), Water Code, is amended to  
3 read as follows:

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

7 SECTION 74. Sections 49.236(a) and (d), Water Code, as  
8 added by Chapter 335 (S.B. 392), Acts of the 78th Legislature,  
9 Regular Session, 2003, are amended to read as follows:

10 (a) Before the board adopts an ad valorem tax rate for the  
11 district for debt service, operation and maintenance purposes, or  
12 contract purposes, the board shall give notice of each meeting of  
13 the board at which the adoption of a tax rate will be considered.  
14 The notice must:

15 (1) contain a statement in substantially the following  
16 form:

17 "NOTICE OF PUBLIC HEARING ON TAX RATE

18 "The (name of the district) will hold a public hearing on a  
19 proposed tax rate for the tax year (year of tax levy) on (date and  
20 time) at (meeting place). Your individual taxes may increase at a  
21 greater or lesser rate, or even decrease, depending on the tax rate  
22 that is adopted and on the change in the taxable value of your  
23 property in relation to the change in taxable value of all other  
24 property [~~and the tax rate that is adopted~~]. The change in the  
25 taxable value of your property in relation to the change in the  
26 taxable value of all other property determines the distribution of  
27 the tax burden among all property owners.

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

31 (2) contain the following information:

1 (A) the district's total adopted tax rate for the  
2 preceding year and the proposed tax rate, expressed as an amount per  
3 \$100;

4 (B) the difference, expressed as an amount per  
5 \$100 and as a percent increase or decrease, as applicable, in the  
6 proposed tax rate compared to the adopted tax rate for the preceding  
7 year;

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

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

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

29 (F) the difference between the amounts of tax  
30 calculated under Paragraphs (D) and (E), expressed in dollars and  
31 cents and described as the annual percentage increase or decrease,

1 as applicable, in the tax to be imposed by the district on the  
2 average residence homestead in the district in the current year if  
3 the proposed tax rate is adopted; and

4 (G) if the proposed combined debt service,  
5 operation and maintenance, and contract tax rate exceeds the  
6 rollback tax rate, a description of the purpose of the proposed tax  
7 increase; and

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

10 "NOTICE OF VOTE ON TAX RATE [~~TAXPAYERS' RIGHT TO ROLLBACK ELECTION~~]

11 "If operation and maintenance taxes on the average residence  
12 homestead increase by more than eight percent, [~~the qualified~~  
13 ~~voters of the district by petition may require that~~] an election  
14 must be held to determine whether to ratify [~~reduce~~] the operation  
15 and maintenance tax rate [~~to the rollback tax rate~~] under Section  
16 49.236(d), Water Code."

17 (d) If the governing body of a district adopts a combined  
18 debt service, operation and maintenance, and contract tax rate that  
19 exceeds the rollback tax rate, [~~would impose more than 1.08 times~~  
20 ~~the amount of tax imposed by the district in the preceding year on a~~  
21 ~~residence homestead appraised at the average appraised value of a~~  
22 ~~residence homestead in the district in that year, disregarding any~~  
23 ~~homestead exemption available only to disabled persons or persons~~  
24 ~~65 years of age or older, the qualified voters of the district by~~  
25 ~~petition may require that~~] an election must be held to determine  
26 whether [~~or not~~] to ratify [~~reduce~~] the tax rate adopted for the  
27 current year [~~to the rollback tax rate~~] in accordance with the  
28 procedures provided by Sections 26.08(b), (c), and (d)  
29 [~~26.07(b)-(g) and 26.081~~], Tax Code. For purposes of Sections  
30 26.08(b), (c), and (d), Tax Code, [~~26.07(b)-(g)~~] and this section  
31 [~~subsection~~], the rollback tax rate is the sum of the following tax

1 rates:

2 (1) the current year's debt service tax rate;

3 (2) the current year's ~~and~~ contract tax rate; and

4 (3) [rates plus] the operation and maintenance tax  
5 rate that would impose 1.08 times the amount of the operation and  
6 maintenance tax imposed by the district in the preceding year on a  
7 residence homestead appraised at the average appraised value of a  
8 residence homestead in the district in that year, disregarding any  
9 homestead exemption available only to disabled persons or persons  
10 65 years of age or older.

11 SECTION 75. Section 6B(f), Chapter 1472, Acts of the 77th  
12 Legislature, Regular Session, 2001, is amended to read as follows:

13 (f) The district may provide that payments required by any  
14 of the district's contracts, agreements, or leases may be payable  
15 from the sale of notes, taxes, or bonds, or any combination of  
16 notes, taxes, or bonds, or may be secured by a lien on or a pledge of  
17 any available funds, including proceeds of the district's  
18 maintenance tax, and may be payable subject to annual appropriation  
19 by the district. The district may pledge to impose and may impose a  
20 maintenance tax in an amount sufficient to comply with the  
21 district's obligations under the district's contracts, leases, and  
22 agreements at a maximum aggregate rate not to exceed 10 cents for  
23 each \$100 valuation of taxable property in the district. Sections  
24 26.012, 26.04, 26.05, and 26.08 [~~26.07, and 26.012~~], Tax Code, do  
25 not apply to maintenance taxes levied and collected for payments  
26 under a contract, agreement, lease, time warrant, or maintenance  
27 note issued or executed under this section.

28 SECTION 76. The following provisions are repealed:

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

30 (2) Section 140.010, Local Government Code;

31 (3) Section 1063.255, Special District Local Laws

1 Code;

2 (4) Sections 5.103(e) and (f), 6.412(e), 22.23(c),  
3 26.07, 26.08(o), and 41A.06(c), Tax Code;

4 (5) Section 49.236, Water Code, as added by Chapter  
5 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session,  
6 2003; and

7 (6) Section 49.2361, Water Code.

8 SECTION 77. Section 5.041, Tax Code, as amended by this Act,  
9 applies only to an appraisal review board member appointed to serve  
10 a term of office that begins on or after January 1, 2020.

11 SECTION 78. The comptroller of public accounts shall  
12 implement Section 5.043, Tax Code, as added by this Act, as soon as  
13 practicable after January 1, 2020.

14 SECTION 79. Sections 5.05, 5.102, 5.13, and 23.01, Tax  
15 Code, as amended by this Act, apply only to the appraisal of  
16 property for ad valorem tax purposes for a tax year beginning on or  
17 after January 1, 2020.

18 SECTION 80. (a) The comptroller of public accounts shall  
19 comply with Sections 5.07(f), (g), (h), and (i), Tax Code, as added  
20 by this Act, as soon as practicable after January 1, 2020.

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

24 SECTION 81. The comptroller of public accounts shall  
25 prepare and make available the survey form and instructions for  
26 completing and submitting the form required by Section 5.104, Tax  
27 Code, as added by this Act, as soon as practicable after January 1,  
28 2020. An appraisal district is not required to provide the survey  
29 form or instructions under a requirement of that section until the  
30 form and instructions are prepared and made available by the  
31 comptroller of public accounts.



1 SECTION 82. Section 6.41(d-9), Tax Code, as amended by this  
2 Act, applies only to the appointment of appraisal review board  
3 members to terms beginning on or after January 1, 2021.

4 SECTION 83. Section 6.412, Tax Code, as amended by this Act,  
5 does not affect the eligibility of a person serving on an appraisal  
6 review board immediately before January 1, 2020, to continue to  
7 serve on the board for the term to which the member was appointed.

8 SECTION 84. Section 6.42(d), Tax Code, as added by this Act,  
9 applies only to a recommendation, determination, decision, or other  
10 action by an appraisal review board or a panel of such a board on or  
11 after January 1, 2020. A recommendation, determination, decision,  
12 or other action by an appraisal review board or a panel of such a  
13 board before January 1, 2020, is governed by the law as it existed  
14 immediately before that date, and that law is continued in effect  
15 for that purpose.

16 SECTION 85. Sections 11.4391(a) and 22.23, Tax Code, as  
17 amended by this Act, apply only to ad valorem taxes imposed for a  
18 tax year beginning on or after January 1, 2020.

19 SECTION 86. (a) An appraisal district established in a  
20 county with a population of 120,000 or more and each taxing unit  
21 located wholly or partly in such an appraisal district shall comply  
22 with Sections 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18,  
23 Tax Code, as added by this Act, beginning with the 2021 tax year.

24 (b) An appraisal district established in a county with a  
25 population of less than 120,000 and each taxing unit located wholly  
26 in such an appraisal district shall comply with Sections  
27 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18, Tax Code, as  
28 added by this Act, beginning with the 2022 tax year.

29 SECTION 87. (a) Not later than the 30th day after the date  
30 this section takes effect:

31 (1) the designated officer or employee of each taxing

1 unit shall submit to the county assessor-collector for each county  
2 in which all or part of the territory of the taxing unit is located  
3 the worksheets used by the designated officer or employee to  
4 calculate the effective and rollback tax rates of the taxing unit  
5 for the 2015-2019 tax years; and

6 (2) the county assessor-collector for each county  
7 shall post the worksheets submitted to the county  
8 assessor-collector under Subdivision (1) of this subsection on the  
9 Internet website of the county.

10 (b) This section takes effect immediately if this Act  
11 receives a vote of two-thirds of all the members elected to each  
12 house, as provided by Section 39, Article III, Texas Constitution.  
13 If this Act does not receive the vote necessary for immediate  
14 effect, this section takes effect on the 91st day after the last day  
15 of the legislative session.

16 SECTION 88. A taxing unit that does not own, operate, or  
17 control an Internet website is not required to comply with Sections  
18 26.05(b)(2) and 26.065(b), Tax Code, as amended by this Act, until  
19 the first tax year in which the taxing unit is required by law to  
20 maintain or have access to an Internet website.

21 SECTION 89. Section 33.08(b), Tax Code, as amended by this  
22 Act, applies only to taxes that become delinquent on or after  
23 January 1, 2020. Taxes that become delinquent before that date are  
24 governed by the law as it existed immediately before that date, and  
25 that law is continued in effect for that purpose.

26 SECTION 90. Section 41.03(a), Tax Code, as amended by this  
27 Act, applies only to a challenge under Chapter 41, Tax Code, for  
28 which a challenge petition is filed on or after January 1, 2020. A  
29 challenge under Chapter 41, Tax Code, for which a challenge  
30 petition was filed before January 1, 2020, is governed by the law in  
31 effect on the date the challenge petition was filed, and the former

1 law is continued in effect for that purpose.

2 SECTION 91. Sections 41.45 and 41.66(k), Tax Code, as  
3 amended by this Act, and Section 41.66(k-1), Tax Code, as added by  
4 this Act, apply only to a protest filed under Chapter 41, Tax Code,  
5 on or after January 1, 2021. A protest filed under that chapter  
6 before January 1, 2021, is governed by the law in effect on the date  
7 the protest was filed, and the former law is continued in effect for  
8 that purpose.

9 SECTION 92. Sections 41.46, 41.461, 41.47, 41.66(h), (i),  
10 and (j), and 41.67, Tax Code, as amended by this Act, and Sections  
11 41.66(j-1) and (p), Tax Code, as added by this Act, apply only to a  
12 protest for which the notice of protest was filed by a property  
13 owner or the designated agent of the owner with the appraisal review  
14 board established for an appraisal district on or after January 1,  
15 2020.

16 SECTION 93. Section 41.71, Tax Code, as amended by this Act,  
17 applies only to a hearing on a protest under Chapter 41, Tax Code,  
18 that is scheduled on or after January 1, 2020. A hearing on a  
19 protest under Chapter 41, Tax Code, that is scheduled before  
20 January 1, 2020, is governed by the law in effect on the date the  
21 hearing was scheduled, and that law is continued in effect for that  
22 purpose.

23 SECTION 94. Section 41A.07, Tax Code, as amended by this  
24 Act, applies only to a request for binding arbitration received by  
25 the comptroller of public accounts from an appraisal district on or  
26 after January 1, 2020.

27 SECTION 95. The changes in law made by this Act in the  
28 qualifications of persons serving as arbitrators in binding  
29 arbitrations of appeals of appraisal review board orders do not  
30 affect the entitlement of a person serving as an arbitrator  
31 immediately before January 1, 2020, to continue to serve as an

1 arbitrator and to conduct hearings on arbitrations until the person  
2 is required to renew the person's agreement with the comptroller of  
3 public accounts to serve as an arbitrator. The changes in law apply  
4 only to a person who initially qualifies to serve as an arbitrator  
5 or who renews the person's agreement with the comptroller of public  
6 accounts to serve as an arbitrator on or after January 1, 2020.  
7 This Act does not prohibit a person who is serving as an arbitrator  
8 on January 1, 2020, from renewing the person's agreement with the  
9 comptroller of public accounts to serve as an arbitrator if the  
10 person has the qualifications required for an arbitrator under the  
11 Tax Code as amended by this Act.

12 SECTION 96. (a) Not later than the 30th day after the date  
13 this section takes effect, the comptroller of public accounts shall  
14 mail a written notice to each appraisal district and the assessor  
15 for each taxing unit in this state of:

16 (1) the deadline for complying with each new  
17 requirement, duty, or function imposed by this Act on an appraisal  
18 district or taxing unit; and

19 (2) any change made by this Act to the deadline for  
20 complying with an existing requirement, duty, or function of an  
21 appraisal district or taxing unit.

22 (b) This section takes effect immediately if this Act  
23 receives a vote of two-thirds of all the members elected to each  
24 house, as provided by Section 39, Article III, Texas Constitution.  
25 If this Act does not receive the vote necessary for immediate  
26 effect, this section takes effect on the 91st day after the last day  
27 of the legislative session.

28 SECTION 97. (a) Except as otherwise provided by this Act,  
29 this Act takes effect January 1, 2020.

30 (b) The following provisions take effect September 1, 2020:

31 (1) Sections 6.41(b) and (d-9), Tax Code, as amended

1 by this Act;

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

4 (3) Section 6.414(d), Tax Code, as amended by this  
5 Act;

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

7 (5) Section 41.44(d), Tax Code, as amended by this  
8 Act;

9 (6) Section 41.45(d), Tax Code, as amended by this  
10 Act;

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

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

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

17 (c) The following provisions take effect January 1, 2021:

18 (1) Sections 25.19(b-3) and (b-4), Tax Code, as added  
19 by this Act;

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

22 (3) Sections 26.04(e-1) and (g), Tax Code, as amended  
23 by this Act;

24 (4) Sections 26.05(d-1) and (d-2), Tax Code, as added  
25 by this Act; and

26 (5) Section 26.05(e), Tax Code, as amended by this  
27 Act.

28 (d) Sections 25.19(b) and (i), Tax Code, as amended by this  
29 Act, take effect January 1, 2022.