86R3750 SMH-F

By:  Shine H.B. No. 490

A BILL TO BE ENTITLED

AN ACT

relating to the administration of the ad valorem tax system.

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

SECTION 1.  Chapter 5, Tax Code, is amended by adding Section 5.01 to read as follows:

Sec. 5.01.  PROPERTY TAX ADMINISTRATION ADVISORY BOARD. (a)  The comptroller shall appoint the property tax administration advisory board to advise the comptroller with respect to the division or divisions within the office of the comptroller with primary responsibility for state administration of property taxation and state oversight of appraisal districts. The advisory board may make recommendations to the comptroller regarding improving the effectiveness and efficiency of the property tax system, best practices, and complaint resolution procedures. The comptroller shall post the recommendations of the advisory board on the comptroller's Internet website.

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

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

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

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

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

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

SECTION 2.  Section 5.07, Tax Code, is amended by adding Subsections (f), (g), (h), and (i) to read as follows:

(f)  The comptroller shall prescribe tax rate calculation forms to be used by the designated officer or employee of each taxing unit to calculate and submit the no-new-revenue tax rate and the rollback tax rate for the taxing unit as required by Chapter 26.

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

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

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

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

(h)  For purposes of Subsections (f) and (g), the comptroller shall use the forms published on the comptroller's Internet website as of January 1, 2019, modified as necessary to comply with the requirements of those subsections. The forms may be updated, at the discretion of the comptroller acting through the director of the property tax assistance division, to reflect statutory changes that do not substantially change the tax rate calculations provided for by the form or for the purpose of making formatting or other nonsubstantive changes. The director may determine, in the director's discretion, whether a proposed change substantially changes the tax rate calculations provided for by the forms and therefore must be made in the manner provided by Subsection (i).

(i)  The comptroller may revise the forms to reflect statutory changes that substantially change the tax rate calculations provided for by the forms or on receipt of a request in writing. A revision under this subsection must be approved by the agreement of a majority of the members of a committee selected by the comptroller. The members of the committee must represent, equally, taxpayers and either taxing units or persons designated by taxing units. In the case of a revision for which the comptroller receives a request in writing, the person requesting the revision shall pay the costs of mediation if the comptroller determines that mediation is required.

SECTION 3.  Section 5.091, Tax Code, is amended to read as follows:

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

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

(2)  list the tax rates alphabetically according to:

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

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

(b)  Not later than January 1 [~~December 31~~] of the following [~~each~~] year, the comptroller shall publish on the comptroller's Internet website the list required by Subsection (a). The comptroller shall maintain the list on the comptroller's Internet website until at least the third anniversary of the date the list is required to be published.

SECTION 4.  Section 5.102(a), Tax Code, is amended to read as follows:

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

SECTION 5.  Sections 25.19(b) and (i), Tax Code, are amended to read as follows:

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

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

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

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

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

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

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

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

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

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

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

SECTION 6.  Section 26.012(9), Tax Code, is redesignated as Section 26.012(18), Tax Code, and amended to read as follows:

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

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

SECTION 7.  The heading to Section 26.04, Tax Code, is amended to read as follows:

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

SECTION 8.  Section 26.04, Tax Code, is amended by amending Subsections (b), (c), (d), (e), (e-1), (f), (g), (i), and (j) and adding Subsections (d-1), (d-2), (e-2), (e-3), and (e-4) to read as follows:

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

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

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

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

; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(1)  a statement directing the property owner to an Internet website from which the owner may access information related to the actions taken or proposed to be taken by each taxing unit in which the property is located that may affect the taxes imposed on the owner's property;

(2)  a statement that the property owner may request from the county assessor-collector for the county in which the property is located or, if the county assessor-collector does not assess taxes for the county, the person who assesses taxes for the county under Section 6.24(b), contact information for the assessor for each taxing unit in which the property is located, who must provide the information described by this subsection to the owner on request; and

(3)  the name, address, and telephone number of the county assessor-collector for the county in which the property is located or, if the county assessor-collector does not assess taxes for the county, the person who assesses taxes for the county under Section 6.24(b).

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

(e-4)  The comptroller:

(1)  with the advice of the property tax administration advisory board, shall adopt rules prescribing the form of the notice required by Subsection (e-2); and

(2)  may adopt rules regarding the format and delivery of the notice.

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

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

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

(j)  This subsection applies to a taxing unit that had agreed by written contract to accept the transfer of a distinct department, function, or activity from another taxing unit and operates a distinct department, function, or activity if the operation of a substantially similar department, function, or activity in all or a majority of the territory of the taxing unit has been discontinued by another taxing unit, including a dissolved taxing unit. The rollback tax rate of a taxing unit to which this subsection applies in the first tax year after the other taxing unit discontinued the substantially similar department, function, or activity in which a budget is adopted that allocates revenue to the department, function, or activity is calculated as otherwise provided by this section, except that last year's levy used to calculate the no-new-revenue [~~effective~~] maintenance and operations rate of the taxing unit is increased by the amount of maintenance and operations tax revenue spent by the taxing unit that discontinued operating the substantially similar department, function, or activity to operate that department, function, or activity for the 12 months preceding the month in which the calculations required by this chapter are made and in which the taxing unit operated the discontinued department, function, or activity. If the taxing unit did not operate the discontinued department, function, or activity for the full 12 months preceding the month in which the calculations required by this chapter are made, the taxing unit may increase last year's levy used to calculate the no-new-revenue [~~effective~~] maintenance and operations rate by an amount not to exceed the amount of property tax revenue spent by the discontinuing taxing unit to operate the discontinued department, function, or activity in the last full fiscal year in which the discontinuing taxing unit operated the department, function, or activity.

SECTION 9.  Sections 26.041(a), (b), (c), (e), (g), and (h), Tax Code, are amended to read as follows:

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

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

and

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

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

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

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

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

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

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

and

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

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

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

(g)  If the rate of the additional sales and use tax is increased, the designated officer or employee shall make two projections, in the manner provided by Subsection (d) [~~of this section~~], of the revenue generated by the additional sales and use tax in the following year. The first projection must take into account the increase and the second projection must not take into account the increase. The designated officer or employee shall then subtract the amount of the result of the second projection from the amount of the result of the first projection to determine the revenue generated as a result of the increase in the additional sales and use tax. In the first year in which an additional sales and use tax is increased, the no-new-revenue [~~effective~~] tax rate for the taxing unit is the no-new-revenue [~~effective~~] tax rate before the increase minus a number the numerator of which is the revenue generated as a result of the increase in the additional sales and use tax, as determined under this subsection, and the denominator of which is the current total value minus the new property value.

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

SECTION 10.  The heading to Section 26.043, Tax Code, is amended to read as follows:

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 14.  Sections 26.0441(a), (b), and (c), Tax Code, are amended to read as follows:

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

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

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

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

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

SECTION 15.  Section 26.05, Tax Code, is amended by amending Subsections (b), (c), (d), (e), and (g) and adding Subsections (d-1) and (d-2) to read as follows:

(b)  A taxing unit may not impose property taxes in any year until the governing body has adopted a tax rate for that year, and the annual tax rate must be set by ordinance, resolution, or order, depending on the method prescribed by law for adoption of a law by the governing body. The vote on the ordinance, resolution, or order setting the tax rate must be separate from the vote adopting the budget. For a taxing unit other than a school district, the vote on the ordinance, resolution, or order setting a tax rate that exceeds the no-new-revenue [~~effective~~] tax rate must be a record vote, and at least 60 percent of the members of the governing body must vote in favor of the ordinance, resolution, or order. For a school district, the vote on the ordinance, resolution, or order setting a tax rate that exceeds the sum of the no-new-revenue [~~effective~~] maintenance and operations tax rate of the district as determined under Section 26.08(i) and the district's current debt rate must be a record vote, and at least 60 percent of the members of the governing body must vote in favor of the ordinance, resolution, or order. A motion to adopt an ordinance, resolution, or order setting a tax rate that exceeds the no-new-revenue [~~effective~~] tax rate must be made in the following form: "I move that the property tax rate be increased by the adoption of a tax rate of (specify tax rate), which is effectively a (insert percentage by which the proposed tax rate exceeds the no-new-revenue [~~effective~~] tax rate) percent increase in the tax rate." If the ordinance, resolution, or order sets a tax rate that, if applied to the total taxable value, will impose an amount of taxes to fund maintenance and operation expenditures of the taxing unit that exceeds the amount of taxes imposed for that purpose in the preceding year, the taxing unit must:

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

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

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

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

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

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

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

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

(d-1)  The governing body of a taxing unit other than a school district may not hold a public hearing on a proposed tax rate or a public meeting to adopt a tax rate until the seventh day after the date the chief appraiser of each appraisal district in which the taxing unit participates has:

(1)  delivered the notice required by Section 26.04(e-2); and

(2)  complied with Section 26.17(e).

(d-2)  Notwithstanding Subsection (a), the governing body of a taxing unit other than a school district may not adopt a tax rate until the chief appraiser of each appraisal district in which the taxing unit participates has complied with Subsection (d-1).

(e)  A person who owns taxable property is entitled to an injunction restraining the collection of taxes by a taxing unit in which the property is taxable if the taxing unit has not complied with the requirements of this section or Section 26.04 [~~and the failure to comply was not in good faith~~]. It is a defense in an action for an injunction under this subsection that the failure to comply was in good faith. An action to enjoin the collection of taxes must be filed not later than the 15th day after the date the taxing unit adopts a tax rate. A property owner is not required to pay the taxes imposed by a taxing unit on the owner's property while an action filed by the property owner to enjoin the collection of taxes imposed by the taxing unit on the owner's property is pending. If the property owner pays the taxes and subsequently prevails in the action, the property owner is entitled to a refund of the taxes paid, together with reasonable attorney's fees and court costs. The property owner is not required to apply to the collector for the taxing unit to receive the refund [~~prior to the date a taxing unit delivers substantially all of its tax bills~~].

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

SECTION 16.  Sections 26.052(c) and (e), Tax Code, are amended to read as follows:

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

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

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

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

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

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

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

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

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

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

"NOTICE OF PUBLIC HEARING ON TAX INCREASE

"The (name of the taxing unit) will hold two public hearings on a proposal to increase total tax revenues from properties on the tax roll in the preceding tax year by (percentage by which proposed tax rate exceeds lower of rollback tax rate or no-new-revenue [~~effective~~] tax rate calculated under this chapter) percent. Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the tax rate that is adopted and on the change in the taxable value of your property in relation to the change in taxable value of all other property [~~and the tax rate that is adopted~~]. The change in the taxable value of your property in relation to the change in the taxable value of all other property determines the distribution of the tax burden among all property owners.

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

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

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

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

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

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

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

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

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

"NOTICE OF TAX REVENUE INCREASE

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

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

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

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

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

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

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

SECTION 18.  Section 26.065(b), Tax Code, is amended to read as follows:

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

SECTION 19.  Sections 26.08(g), (i), (n), and (p), Tax Code, are amended to read as follows:

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

(i)  For purposes of this section, the no-new-revenue [~~effective~~] maintenance and operations tax rate of a school district is the tax rate that, applied to the current total value for the district, would impose taxes in an amount that, when added to state funds that would be distributed to the district under Chapter 42, Education Code, for the school year beginning in the current tax year using that tax rate, would provide the same amount of state funds distributed under Chapter 42, Education Code, and maintenance and operations taxes of the district per student in weighted average daily attendance for that school year that would have been available to the district in the preceding year if the funding elements for Chapters 41 and 42, Education Code, for the current year had been in effect for the preceding year.

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

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

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

(A)  the sum of the following:

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

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

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

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

(B)  the sum of the following:

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

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

(iii)  the district's current debt rate.

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

SECTION 20.  Section 26.16, Tax Code, is amended by amending Subsections (a) and (d) and adding Subsection (a-1) to read as follows:

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

(1)  the adopted tax rate;

(2)  the maintenance and operations rate;

(3)  the debt rate;

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

(5)  the no-new-revenue [~~effective~~] maintenance and operations rate; and

(6)  the rollback tax rate.

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

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

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

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

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

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

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

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

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

SECTION 21.  Chapter 26, Tax Code, is amended by adding Sections 26.17 and 26.18 to read as follows:

Sec. 26.17.  DATABASE OF PROPERTY-TAX-RELATED INFORMATION. (a) The chief appraiser of each appraisal district shall create and maintain a property tax database that:

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

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

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

(4)  is accessible to the public; and

(5)  is searchable by property address and owner, except to the extent that access to the information in the database is restricted by Section 25.025 or 25.026.

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

(1)  the property's identification number;

(2)  the property's market value;

(3)  the property's taxable value;

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

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

(A)  the no-new-revenue tax rate; and

(B)  the rollback tax rate;

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

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

(B)  the rollback tax rate;

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

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

(A)  the no-new-revenue tax rate; and

(B)  the proposed tax rate;

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

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

(B)  the proposed tax rate;

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

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

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

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

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

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

(d)  The officer or employee designated by the governing body of each taxing unit in which the property is located to calculate the no-new-revenue tax rate and the rollback tax rate for the taxing unit must electronically incorporate into the database:

(1)  the information described by Subsections (b)(5), (6), (7), (12), and (13), as applicable, as the information becomes available; and

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

(e)  The chief appraiser shall make the information described by Subsection (d)(1) and the tax rate calculation forms described by Subsection (d)(2) available to the public not later than the third business day after the date the information and forms are incorporated into the database.

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

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

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

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

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

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

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

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

(A)  the preceding two years; and

(B)  the current year;

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

(A)  the preceding two years; and

(B)  the current year;

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

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

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

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

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

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

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

SECTION 22.  Section 45.105(e), Education Code, is amended to read as follows:

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

SECTION 23.  Section 130.016(b), Education Code, is amended to read as follows:

(b)  If the board of trustees of an independent school district that divests itself of the management, control, and operation of a junior college district under this section or under Section 130.017 [~~of this code~~] was authorized by [~~Subsection (e) of~~] Section 45.105(e) or under former Section 20.48(e) [~~20.48 of this code~~] to dedicate a portion of its tax levy to the junior college district before the divestment, the junior college district may levy an ad valorem tax from and after the divestment. In the first two years in which the junior college district levies an ad valorem tax, the tax rate adopted by the governing body may not exceed the rate that, if applied to the total taxable value submitted to the governing body under Section 26.04, Tax Code, would impose an amount equal to the amount of taxes of the school district dedicated to the junior college under [~~Subsection (e) of~~] Section 45.105(e) or former Section 20.48(e) [~~20.48 of this code~~] in the last dedication before the divestment. In subsequent years, the tax rate of the junior college district is subject to Section 26.07, Tax Code.

SECTION 24.  Section 403.302(o), Government Code, is amended to read as follows:

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

SECTION 25.  Section 102.007(d), Local Government Code, is amended to read as follows:

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

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

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

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

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

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

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

(A)  the property tax rate;

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

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

(D)  the rollback tax rate; and

(E)  the debt rate; and

(4)  the total amount of municipal debt obligations.

SECTION 26.  Section 111.008(d), Local Government Code, is amended to read as follows:

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

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

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

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

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

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

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

(A)  the property tax rate;

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

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

(D)  the rollback tax rate; and

(E)  the debt rate; and

(4)  the total amount of county debt obligations.

SECTION 27.  Section 111.039(d), Local Government Code, is amended to read as follows:

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

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

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

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

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

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

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

(A)  the property tax rate;

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

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

(D)  the rollback tax rate; and

(E)  the debt rate; and

(4)  the total amount of county debt obligations.

SECTION 28.  Section 111.068(c), Local Government Code, is amended to read as follows:

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

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

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

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

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

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

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

(A)  the property tax rate;

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

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

(D)  the rollback tax rate; and

(E)  the debt rate; and

(4)  the total amount of county debt obligations.

SECTION 29.  Sections 140.010(a), (d), (e), and (f), Local Government Code, are amended to read as follows:

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

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

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

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

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

PRECEDING YEAR'S TAX RATE  $\_\_\_\_\_\_ per $100

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

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

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

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

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

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

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

(insert address)

(insert telephone number)

(insert e-mail address)

(insert Internet website address, if applicable)"

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

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

"A tax rate of $\_\_\_\_\_ per $100 valuation has been proposed for adoption by the governing body of (insert name of county or municipality). This rate exceeds the lower of the no-new-revenue [~~effective~~] or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate. The governing body of (insert name of county or municipality) proposes to use revenue attributable to the tax rate increase for the purpose of (description of purpose of increase).

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

PRECEDING YEAR'S TAX RATE $\_\_\_\_\_\_ per $100

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

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

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

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

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

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

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

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

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

(insert address)

(insert telephone number)

(insert e-mail address)

(insert Internet website address, if applicable)

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

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

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

(f)  A county or municipality shall[~~:~~

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

(1) [~~(A)~~]  publishing the notice in a newspaper having general circulation in:

(A) [~~(i)~~]  the county, in the case of notice published by a county; or

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

(2) [~~(B)~~]  mailing the notice to each property owner in:

(A) [~~(i)~~]  the county, in the case of notice provided by a county; or

(B) [~~(ii)~~]  the municipality, in the case of notice provided by a municipality; or [~~and~~]

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

SECTION 30.  Sections 403.302(m-1) and (n), Government Code, are repealed.

SECTION 31.  The comptroller shall comply with Sections 5.07(f), (g), (h), and (i), Tax Code, as added by this Act, as soon as practicable after January 1, 2020, but not later than April 30, 2020.

SECTION 32.  A person is entitled to an injunction under Section 26.04(g), Tax Code, as amended by this Act, for failure to comply with the requirements of Section 26.17(c) or 26.18, Tax Code, as added by this Act, beginning with the 2021 tax year.

SECTION 33.  Each appraisal district and taxing unit shall comply with Sections 26.17(c) and 26.18, Tax Code, as added by this Act, beginning with the 2021 tax year.

SECTION 34.  (a) Except as otherwise provided by this Act, this Act takes effect January 1, 2020.

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

(1)  Sections 25.19(b) and (i), Tax Code, as amended by this Act; and

(2)  Section 26.18, Tax Code, as added by this Act.