

By: Bettencourt, et al.

S.B. No. 2

A BILL TO BE ENTITLED

AN ACT

relating to ad valorem taxation.

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

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

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

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

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

Sec. 5.01. PROPERTY TAX ADMINISTRATION ADVISORY BOARD.

(a) The comptroller shall appoint the property tax administration

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

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

12 (1) representatives of property tax payers, tax
13 assessor-collectors, school districts, and appraisal districts;
14 and

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

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

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

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

25 (b) A member of the appraisal review board established for
26 an appraisal district must complete the course established under
27 Subsection (a). The course must provide at least 16 hours of

1 classroom training and education or, for a member appointed by the
2 chairman of the appraisal review board to serve on a special panel
3 under Section 6.425, 24 hours of classroom training and education.

4 A member of the appraisal review board may not participate in a
5 hearing conducted by the board unless the person has completed the
6 course established under Subsection (a) and received a certificate
7 of course completion.

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

19 (e-1) In addition to the course established under
20 Subsection (a), the comptroller shall approve curricula and provide
21 materials for use in a continuing education course for members of an
22 appraisal review board. The course must provide at least eight
23 hours of classroom training and education or, for a member
24 appointed by the chairman of the appraisal review board to serve on
25 a special panel under Section 6.425, 16 hours of classroom training
26 and education. The curricula and materials must include
27 information regarding:

- 1 (1) the cost, income, and market data comparison
2 methods of appraising property;
- 3 (2) the appraisal of business personal property;
- 4 (3) the determination of capitalization rates for
5 property appraisal purposes;
- 6 (4) the duties of an appraisal review board;
- 7 (5) the requirements regarding the independence of an
8 appraisal review board from the board of directors and the chief
9 appraiser and other employees of the appraisal district;
- 10 (6) the prohibitions against ex parte communications
11 applicable to appraisal review board members;
- 12 (7) the Uniform Standards of Professional Appraisal
13 Practice;
- 14 (8) the duty of the appraisal district to substantiate
15 the district's determination of the value of property;
- 16 (9) the requirements regarding the equal and uniform
17 appraisal of property;
- 18 (10) the right of a property owner to protest the
19 appraisal of the property as provided by Chapter 41; and
- 20 (11) a detailed explanation of each of the actions
21 described by Sections 25.25, 41.41(a), 41.411, 41.412, 41.413,
22 41.42, and 41.43 so that members are fully aware of each of the
23 grounds on which a property appraisal can be appealed.

24 SECTION 5. Chapter 5, Tax Code, is amended by adding Section
25 5.043 to read as follows:

26 Sec. 5.043. TRAINING OF ARBITRATORS. (a) This section
27 applies only to persons who have agreed to serve as arbitrators

1 under Chapter 41A.

2 (b) The comptroller shall:

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

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

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

10 (c) The training program must:

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

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

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

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

27 (f) The comptroller shall prepare an arbitration manual for

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

8 SECTION 6. Section 5.05, Tax Code, is amended by adding
9 Subsections (c-1), (c-2), and (c-3) to read as follows:

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

13 (c-2) Appraisal manuals issued under this section for the
14 purpose of determining the market value of property shall be
15 prepared based on generally accepted appraisal methods and
16 techniques.

17 (c-3) Appraisal methods and techniques included in the most
18 recent versions of the following are considered a basis for
19 generally accepted appraisal methods and techniques for the
20 purposes of this title:

21 (1) the Appraisal of Real Estate published by the
22 Appraisal Institute;

23 (2) the Dictionary of Real Estate Appraisal published
24 by the Appraisal Institute; and

25 (3) the Uniform Standards of Professional Appraisal
26 Practice published by The Appraisal Foundation.

27 SECTION 7. Section 5.07, Tax Code, is amended by adding

1 Subsections (f), (g), (h), and (i) to read as follows:

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

4 (1) taxing unit other than a school district to
5 calculate and submit the no-new-revenue tax rate and the
6 voter-approved tax rate for the taxing unit as required by Chapter
7 26; and

8 (2) school district to calculate and submit the
9 no-new-revenue tax rate, the voter-approved tax rate, and the rate
10 to maintain the same amount of state and local revenue per weighted
11 student that the district received in the school year beginning in
12 the preceding tax year as required by Chapter 26.

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

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

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

20 (3) be capable of being electronically incorporated
21 into the property tax database maintained by each appraisal
22 district under Section 26.17 and submitted electronically to the
23 county assessor-collector of each county in which all or part of the
24 territory of the taxing unit is located.

25 (h) For purposes of Subsections (f) and (g), the comptroller
26 shall use the forms published on the comptroller's Internet website
27 as of January 1, 2019, modified as necessary to comply with the

1 requirements of those subsections. The comptroller shall update
2 the forms as necessary to reflect any change in the values used to
3 calculate a tax rate resulting from a statutory change in a value
4 used to calculate a tax rate. The comptroller may also update the
5 forms to reflect formatting or other nonsubstantive changes.

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

17 SECTION 8. Section 5.09(a), Tax Code, is amended to read as
18 follows:

19 (a) The comptroller shall prepare a biennial report of the
20 total appraised values and taxable values of taxable property by
21 category and the tax rates of each county, municipality, special
22 district, and school district in effect for the two years preceding
23 the year in which the report is prepared. The comptroller shall
24 review and verify the values and tax rates reported to the
25 comptroller for the purpose of preparing the report and prepare the
26 report so that the information provided to the comptroller is
27 presented in a consistent manner.

1 SECTION 9. Section 5.091, Tax Code, is amended to read as
2 follows:

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

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

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

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

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

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

20 SECTION 10. Sections 5.102(a) and (c), Tax Code, are
21 amended to read as follows:

22 (a) At least once every two years, the comptroller shall
23 review the governance of each appraisal district, the taxpayer
24 assistance provided by each appraisal district, and the operating
25 and appraisal standards, procedures, and methodology used by each
26 appraisal district, to determine compliance with generally
27 accepted standards, procedures, and methodology, including

1 compliance with standards, procedures, and methodology prescribed
2 by appraisal manuals prepared and issued by the comptroller. After
3 consultation with the property tax administration advisory board
4 [~~committee created under Section 403.302, Government Code~~], the
5 comptroller by rule may establish procedures and standards for
6 conducting and scoring the review.

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

16 (1) the appraisal district's chief appraiser and board
17 of directors; and

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

20 SECTION 11. Chapter 5, Tax Code, is amended by adding
21 Section 5.104 to read as follows:

22 Sec. 5.104. APPRAISAL REVIEW BOARD SURVEY; REPORT.

23 (a) The comptroller shall prepare:

24 (1) an appraisal review board survey form that allows
25 an individual described by Subsection (b) to submit comments and
26 suggestions to the comptroller regarding an appraisal review board;
27 and

1 (2) instructions for completing and submitting the
2 form.

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

5 (1) a property owner who files a motion under Section
6 25.25 to correct the appraisal roll or a protest under Chapter 41;

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

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

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

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

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

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

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

27 (f) The comptroller shall allow an individual to submit a

1 survey form to the comptroller in the following manner:

2 (1) in person;

3 (2) by mail;

4 (3) by electronic mail; or

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

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

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

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

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

22 SECTION 12. Section 5.13(d), Tax Code, is amended to read as
23 follows:

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

26 (1) the extent to which the district complies with
27 applicable law or generally accepted standards of appraisal or

1 other relevant practice, including appraisal standards and
2 practices prescribed by appraisal manuals prepared and issued by
3 the comptroller;

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

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

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

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

14 SECTION 13. Section 6.035(a-1), Tax Code, is amended to
15 read as follows:

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

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

24 (c-1) Subsections (a) and (b) do not prohibit a member of
25 the board of directors of an appraisal district from transmitting
26 to the chief appraiser without comment a complaint by a property
27 owner or taxing unit about the appraisal of a specific property,

1 provided that the transmission is in writing.

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

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

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

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

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

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

1 provided elsewhere in this section.

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

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

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

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

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

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

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

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

25 or

26 (B) the appraisal review board.

27 (d) A person is ineligible to serve on the appraisal review

1 board of an appraisal district established for a county described
2 by Section 6.41(d-1) [~~having a population of more than 100,000~~] if
3 the person:

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

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

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

13 (4) served for all or part of three previous terms as a
14 board member or auxiliary board member on the appraisal review
15 board.

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

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

1 all purposes related to the conduct of the hearing.

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

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

13 (d) The concurrence of a majority of the members of the
14 appraisal review board present at a meeting of the board is
15 sufficient for a recommendation, determination, decision, or other
16 action by the board. The concurrence of a majority of the members
17 of a panel of the board present at a meeting of the panel is
18 sufficient for a recommendation by the panel. The concurrence of
19 more than a majority of the members of the board or panel may not be
20 required.

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

23 Sec. 6.425. SPECIAL APPRAISAL REVIEW BOARD PANELS IN
24 CERTAIN DISTRICTS. (a) This section applies only to the appraisal
25 review board for an appraisal district described by Section
26 6.41(b-2).

27 (b) The appraisal review board shall establish special

1 panels to conduct protest hearings under Chapter 41 relating to
2 property that:

3 (1) has an appraised value of \$75 million or more as
4 determined by the appraisal district; and

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

7 (A) commercial real and personal property;

8 (B) real and personal property of utilities;

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

11 (D) multifamily residential real property.

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

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

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

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

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

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

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

26 (6) possess a Certified Assessment Evaluator (CAE)
27 professional designation from the International Association of

1 Assessing Officers;

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

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

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

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

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

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

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

22 (a) The chief appraiser shall accept and approve or deny an
23 application for an exemption for freeport goods under Section
24 11.251 after the deadline for filing it has passed if it is filed on
25 or before the ~~[not]~~ later of:

26 (1) ~~than~~ June 15; or

27 (2) if applicable, the 60th day after the date on which

1 the chief appraiser delivers notice to the property owner under
2 Section 22.22.

3 SECTION 21. Section 22.23(d), Tax Code, is amended to read
4 as follows:

5 (d) Notwithstanding any other provision of this section,
6 rendition statements and property reports required to be filed by a
7 property owner [~~for property~~] regulated by the Public Utility
8 Commission of Texas, the Railroad Commission of Texas, the federal
9 Surface Transportation Board, or the Federal Energy Regulatory
10 Commission must be delivered to the chief appraiser not later than
11 April 30, except as provided by Section 22.02. On written request
12 by the property owner, the [~~The~~] chief appraiser shall extend the
13 filing deadline to May 15. The chief appraiser may further extend
14 the [~~filing~~] deadline an additional 15 days for good cause shown in
15 writing by the property owner.

16 SECTION 22. Section 25.19, Tax Code, is amended by amending
17 Subsections (b) and (i) and adding Subsections (b-3) and (b-4) to
18 read as follows:

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

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

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

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

27 (4) the appraised value of the property for the

1 current year, the kind and amount of each exemption and partial
2 exemption, if any, approved for the property for the current year
3 and for the preceding year, and, if an exemption or partial
4 exemption that was approved for the preceding year was canceled or
5 reduced for the current year, the amount of the exemption or partial
6 exemption canceled or reduced;

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

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

15 (6) [~~(7)~~] a detailed explanation of the time and
16 procedure for protesting the value;

17 (7) [~~(8)~~] the date and place the appraisal review
18 board will begin hearing protests; and

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

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

1 the property heard by a special panel of the appraisal review board.

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

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

12 SECTION 23. Section 26.01, Tax Code, is amended by adding
13 Subsection (a-1) to read as follows:

14 (a-1) If by July 25 the appraisal review board for an
15 appraisal district has not approved the appraisal records for the
16 district as required under Section 41.12, the chief appraiser shall
17 prepare and certify to the assessor for each taxing unit
18 participating in the district an estimate of the taxable value of
19 property in that taxing unit.

20 SECTION 24. Section 26.012(9), Tax Code, is redesignated as
21 Section 26.012(18), Tax Code, and amended to read as follows:

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

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

1 NEW PROPERTY VALUE)

2 SECTION 25. Section 26.012, Tax Code, is amended by
3 amending Subdivision (10) and adding Subdivision (19) to read as
4 follows:

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

10 (19) "Small taxing unit" means a taxing unit, other
11 than a school district, for which the sum of the following amounts
12 is \$15 million or less:

13 (A) the total amount of property taxes that would
14 be imposed by the taxing unit for the current tax year if the tax
15 rate proposed for that tax year were applied to the current total
16 value for the taxing unit; and

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

20 SECTION 26. The heading to Section 26.04, Tax Code, is
21 amended to read as follows:

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

25 SECTION 27. Section 26.04, Tax Code, is amended by amending
26 Subsections (b), (c), (d), (e), (e-1), (f), (g), (i), and (j) and
27 adding Subsections (c-1), (c-2), (d-1), (d-2), (d-3), (e-2), (e-3),

1 (e-4), (e-5), (h-1), and (h-2) to read as follows:

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

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

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

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

27 ; and

1 (2) "Voter-approved [~~Rollback~~] tax rate" means a rate
2 expressed in dollars per \$100 of taxable value calculated according
3 to the following applicable formula:

4 (A) for a small taxing unit:

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

8 ; or

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

11 VOTER-APPROVED TAX RATE = (NO-NEW-REVENUE MAINTENANCE
12 AND OPERATIONS RATE x 1.035) + CURRENT DEBT RATE

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

23 (1) the first tax year in which the total taxable value
24 of property taxable by the taxing unit as shown on the appraisal
25 roll for the taxing unit submitted by the assessor for the taxing
26 unit to the governing body exceeds the total taxable value of
27 property taxable by the taxing unit on January 1 of the tax year in

1 which the disaster occurred; or

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

4 (c-2) Notwithstanding any other provision of this section,
5 if the assessor for a taxing unit receives a certified estimate of
6 the taxable value of property in the taxing unit under Section
7 26.01(a-1), the officer or employee designated by the governing
8 body of the taxing unit shall calculate the no-new-revenue tax rate
9 and voter-approved tax rate using the certified estimate of taxable
10 value.

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

17 (d-1) The designated officer or employee shall use the tax
18 rate calculation forms prescribed by the comptroller under Section
19 5.07 in calculating the no-new-revenue tax rate and the
20 voter-approved tax rate.

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

1 appraisal roll in performing the calculations.

2 (d-3) As soon as practicable after the designated officer or
3 employee calculates the no-new-revenue tax rate and the
4 voter-approved tax rate of the taxing unit, the designated officer
5 or employee shall submit the tax rate calculation forms used in
6 calculating the rates to the county assessor-collector for each
7 county in which all or part of the territory of the taxing unit is
8 located.

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

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

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

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

25 (A) the amount of principal and interest that
26 will be paid to service the taxing unit's debts in the next year
27 from property tax revenue, including payments of lawfully incurred

1 contractual obligations providing security for the payment of the
2 principal of and interest on bonds and other evidences of
3 indebtedness issued on behalf of the taxing unit by another
4 political subdivision and, if the taxing unit is created under
5 Section 52, Article III, or Section 59, Article XVI, Texas
6 Constitution, payments on debts that the taxing unit anticipates to
7 incur in the next calendar year;

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

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

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

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

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

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

26 (B) the amount of property tax revenue spent by
27 the taxing unit listed under Paragraph (A) to operate the

1 discontinued department, function, or activity in the 12 months
2 preceding the month in which the calculations required by this
3 chapter are made; and

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

8 (7) in the year following the year in which a taxing
9 unit raised its voter-approved tax [~~rollback~~] rate as required by
10 Subsection (j), a schedule that includes the following elements:

11 (A) the amount of property tax revenue spent by
12 the taxing unit to operate the department, function, or activity
13 for which the taxing unit raised the voter-approved tax [~~rollback~~]
14 rate as required by Subsection (j) for the 12 months preceding the
15 month in which the calculations required by this chapter are made;
16 and

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

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

22 (e-2) By August 7 or as soon thereafter as practicable, the
23 chief appraiser of each appraisal district shall deliver by regular
24 mail or e-mail to each owner of property located in the appraisal
25 district a notice that the estimated amount of taxes to be imposed
26 on the owner's property by each taxing unit in which the property is
27 located may be found in the property tax database maintained by the

1 appraisal district under Section 26.17. The notice must include:

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

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

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

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

23 (e-4) The comptroller:

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

27 (2) may adopt rules regarding the format and delivery

1 of the notice.

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

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

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

24 (h-1) Notwithstanding Subsection (h), if the anticipated
25 collection rate of a taxing unit as calculated under that
26 subsection is lower than the lowest actual collection rate of the
27 taxing unit for any of the preceding three years, the anticipated

1 collection rate of the taxing unit for purposes of this section is
2 equal to the lowest actual collection rate of the taxing unit for
3 any of the preceding three years.

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

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

1 calculations required by this chapter are made, the taxing unit
2 shall reduce last year's levy used for calculating the
3 no-new-revenue [~~effective~~] maintenance and operations rate of the
4 taxing unit by the amount of the revenue spent in the last full
5 fiscal year in which the taxing unit operated the discontinued
6 department, function, or activity.

7 (j) This subsection applies to a taxing unit that had agreed
8 by written contract to accept the transfer of a distinct
9 department, function, or activity from another taxing unit and
10 operates a distinct department, function, or activity if the
11 operation of a substantially similar department, function, or
12 activity in all or a majority of the territory of the taxing unit
13 has been discontinued by another taxing unit, including a dissolved
14 taxing unit. The voter-approved [~~rollback~~] tax rate of a taxing
15 unit to which this subsection applies in the first tax year after
16 the other taxing unit discontinued the substantially similar
17 department, function, or activity in which a budget is adopted that
18 allocates revenue to the department, function, or activity is
19 calculated as otherwise provided by this section, except that last
20 year's levy used to calculate the no-new-revenue [~~effective~~]
21 maintenance and operations rate of the taxing unit is increased by
22 the amount of maintenance and operations tax revenue spent by the
23 taxing unit that discontinued operating the substantially similar
24 department, function, or activity to operate that department,
25 function, or activity for the 12 months preceding the month in which
26 the calculations required by this chapter are made and in which the
27 taxing unit operated the discontinued department, function, or

1 activity. If the taxing unit did not operate the discontinued
 2 department, function, or activity for the full 12 months preceding
 3 the month in which the calculations required by this chapter are
 4 made, the taxing unit may increase last year's levy used to
 5 calculate the no-new-revenue [~~effective~~] maintenance and
 6 operations rate by an amount not to exceed the amount of property
 7 tax revenue spent by the discontinuing taxing unit to operate the
 8 discontinued department, function, or activity in the last full
 9 fiscal year in which the discontinuing taxing unit operated the
 10 department, function, or activity.

11 SECTION 28. Section 26.041, Tax Code, is amended by
 12 amending Subsections (a), (b), (c), (e), (g), and (h) and adding
 13 Subsection (c-1) to read as follows:

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

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

21 and

22 VOTER-APPROVED TAX [~~ROLLBACK~~] RATE FOR SMALL TAXING
 23 UNIT = (NO-NEW-REVENUE [~~EFFECTIVE~~] MAINTENANCE AND
 24 OPERATIONS RATE x 1.08) + CURRENT DEBT RATE - SALES TAX
 25 GAIN RATE

26 or

27 VOTER-APPROVED TAX RATE FOR TAXING UNIT OTHER THAN

$$\begin{aligned} & \text{SMALL TAXING UNIT} = \frac{(\text{NO-NEW-REVENUE MAINTENANCE AND} \\ & \text{OPERATIONS RATE} \times 1.035) + \text{CURRENT DEBT RATE} - \text{SALES} \\ & \text{TAX GAIN RATE}}{\text{SALES TAX GAIN RATE}} \end{aligned}$$

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 voter-approved ~~[rollback]~~ tax rate for the taxing unit is calculated according to the following applicable formula, regardless of whether the taxing unit levied a property tax in the preceding year:

$$\begin{aligned} & \text{VOTER-APPROVED TAX} \text{ ~~[ROLLBACK]~~ RATE FOR SMALL TAXING} \\ & \text{UNIT} = \frac{[(\text{LAST YEAR'S MAINTENANCE AND OPERATIONS} \\ & \text{EXPENSE} \times 1.08) / ((\text{~~TOTAL~~ CURRENT TOTAL VALUE} - \text{NEW} \\ & \text{PROPERTY VALUE}))] + (\text{CURRENT DEBT RATE} - \text{SALES TAX} \\ & \text{REVENUE RATE})}{\text{SALES TAX GAIN RATE}} \end{aligned}$$

or

$$\begin{aligned} & \text{VOTER-APPROVED TAX RATE FOR TAXING UNIT OTHER THAN} \\ & \text{SMALL TAXING UNIT} = \frac{[(\text{LAST YEAR'S MAINTENANCE AND} \\ & \text{OPERATIONS EXPENSE} \times 1.035) / (\text{CURRENT TOTAL VALUE} - \\ & \text{NEW PROPERTY VALUE}))] + (\text{CURRENT DEBT RATE} - \text{SALES TAX} \\ & \text{REVENUE RATE})}{\text{SALES TAX GAIN RATE}} \end{aligned}$$

where "last year's maintenance and operations expense" means the amount spent for maintenance and operations from property tax and

1 additional sales and use tax revenues in the preceding year, and
 2 "sales tax revenue rate" means a number expressed in dollars per
 3 \$100 of taxable value, calculated by dividing the revenue that will
 4 be generated by the additional sales and use tax in the current year
 5 as calculated under Subsection (d) [~~of this section~~] by the current
 6 total value.

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

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

15 [~~and~~]

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

20 and

21 VOTER-APPROVED TAX RATE FOR TAXING UNIT OTHER THAN
 22 SMALL TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND
 23 OPERATIONS EXPENSE x 1.035) / (CURRENT TOTAL VALUE -
 24 NEW PROPERTY VALUE)] + CURRENT DEBT RATE

25 where "sales tax loss rate" means a number expressed in dollars per
 26 \$100 of taxable value, calculated by dividing the amount of sales
 27 and use tax revenue generated in the last four quarters for which

1 the information is available by the current total value and "last
2 year's maintenance and operations expense" means the amount spent
3 for maintenance and operations from property tax and additional
4 sales and use tax revenues in the preceding year.

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

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

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

23 (e) If a city that imposes an additional sales and use tax
24 receives payments under the terms of a contract executed before
25 January 1, 1986, in which the city agrees not to annex certain
26 property or a certain area and the owners or lessees of the property
27 or of property in the area agree to pay at least annually to the city

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

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

1 before the increase minus a number the numerator of which is the
 2 revenue generated as a result of the increase in the additional
 3 sales and use tax, as determined under this subsection, and the
 4 denominator of which is the current total value minus the new
 5 property value.

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

23 SECTION 29. The heading to Section 26.043, Tax Code, is
 24 amended to read as follows:

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

27 SECTION 30. Sections 26.043(a) and (b), Tax Code, are

1 amended to read as follows:

2 (a) In the tax year in which a city has set an election on
3 the question of whether to impose a local sales and use tax under
4 Subchapter H, Chapter 453, Transportation Code, the officer or
5 employee designated to make the calculations provided by Section
6 26.04 may not make those calculations until the outcome of the
7 election is determined. If the election is determined in favor of
8 the imposition of the tax, the designated officer or employee
9 ~~[representative]~~ shall subtract from the city's voter-approved
10 ~~[rollback]~~ and no-new-revenue ~~[effective]~~ tax rates the amount
11 that, if applied to the city's current total value, would impose an
12 amount equal to the amount of property taxes budgeted in the current
13 tax year to pay for expenses related to mass transit services.

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

18 SECTION 31. The heading to Section 26.044, Tax Code, is
19 amended to read as follows:

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

22 SECTION 32. Sections 26.044(a), (b), and (c), Tax Code, are
23 amended to read as follows:

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

1 calculated according to the following formula:

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

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

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

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

18 SECTION 33. Sections 26.0441(a), (b), and (c), Tax Code,
19 are amended to read as follows:

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

27 Amount of Increase = Enhanced Indigent Health Care

1 Expenditures / (Current Total Value - New Property
2 Value)

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

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

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

18 SECTION 34. Chapter 26, Tax Code, is amended by adding
19 Section 26.0442 to read as follows:

20 Sec. 26.0442. TAX RATE ADJUSTMENT FOR INDIGENT CRIMINAL
21 DEFENSE. (a) In this section, "indigent criminal defense
22 expenditures" for a tax year means the amount spent by the county
23 for the maintenance and operations costs of providing indigent
24 criminal defense required under Chapter 26, Code of Criminal
25 Procedure, in the period beginning on July 1 of the year preceding
26 the tax year for which the tax is adopted and ending on June 30 of
27 the tax year for which the tax is adopted, less the amount of state

1 grants for indigent criminal defense received by the county during
2 that period.

3 (b) If a county's indigent criminal defense expenditures
4 exceed the amount of those expenditures for the preceding year, the
5 no-new-revenue maintenance and operations rate for the county is
6 increased by the rate computed according to the following formula:

7 (Current Tax Year's Indigent Criminal Defense
8 Expenditures - Preceding Tax Year's Indigent Criminal
9 Defense Expenditures) / (Current Total Value - New
10 Property Value)

11 (c) The county shall include a notice of the increase in the
12 no-new-revenue maintenance and operations rate provided by this
13 section, including a description and amount of indigent criminal
14 defense expenditures, in the information published under Section
15 26.04(e) and, if applicable, Section 26.06(b).

16 SECTION 35. Chapter 26, Tax Code, is amended by adding
17 Section 26.0446 to read as follows:

18 Sec. 26.0446. ELECTION TO APPLY LAW GOVERNING TAXING UNIT
19 OTHER THAN SMALL TAXING UNIT TO SMALL TAXING UNIT. (a) On the
20 uniform election date prescribed by Section 41.001, Election Code,
21 in May of 2020, each taxing unit that would have been a small taxing
22 unit in the 2019 tax year if Section 26.012(19) had been in effect
23 in that tax year shall call an election for the purpose of allowing
24 the voters in the taxing unit to determine whether the law governing
25 a taxing unit other than a small taxing unit shall apply to the
26 taxing unit. At the election, the ballots shall be prepared to
27 permit voting for or against the proposition: "Limiting the rate at

1 which the maintenance and operations taxes of the (name of taxing
2 unit) may be increased without voter approval to 3.5 percent rather
3 than eight percent."

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

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

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

14 SECTION 36. The heading to Section 26.045, Tax Code, is
15 amended to read as follows:

16 Sec. 26.045. VOTER-APPROVED TAX RATE [~~ROLLBACK~~] RELIEF FOR
17 POLLUTION CONTROL REQUIREMENTS.

18 SECTION 37. Sections 26.045(a), (c), and (i), Tax Code, are
19 amended to read as follows:

20 (a) The voter-approved [~~rollback~~] tax rate for a political
21 subdivision of this state is increased by the rate that, if applied
22 to the [~~total~~] current total value, would impose an amount of taxes
23 equal to the amount the political subdivision will spend out of its
24 maintenance and operation funds under Section 26.012(16) to pay for
25 a facility, device, or method for the control of air, water, or land
26 pollution that is necessary to meet the requirements of a permit
27 issued by the Texas Commission on Environmental Quality.

1 (c) To receive an adjustment to the voter-approved
2 [~~rollback~~] tax rate under this section, a political subdivision
3 shall present information to the executive director of the Texas
4 Commission on Environmental Quality in a permit application or in a
5 request for any exemption from a permit that would otherwise be
6 required detailing:

7 (1) the anticipated environmental benefits from the
8 installation of the facility, device, or method for the control of
9 air, water, or land pollution;

10 (2) the estimated cost of the pollution control
11 facility, device, or method; and

12 (3) the purpose of the installation of the facility,
13 device, or method, and the proportion of the installation that is
14 pollution control property.

15 (i) A political subdivision of the state seeking an
16 adjustment in its voter-approved [~~rollback~~] tax rate under this
17 section shall provide to its tax assessor a copy of the letter
18 issued by the executive director of the Texas Commission on
19 Environmental Quality under Subsection (d). The tax assessor shall
20 accept the copy of the letter from the executive director as
21 conclusive evidence that the facility, device, or method is used
22 wholly or partly as pollution control property and shall adjust the
23 voter-approved [~~rollback~~] tax rate for the political subdivision as
24 provided for by Subsection (a).

25 SECTION 38. Section 26.05, Tax Code, is amended by amending
26 Subsections (a), (b), (c), (d), (e), and (g) and adding Subsections
27 (d-1), (d-2), and (e-1) to read as follows:

1 (a) The governing body of each taxing unit [~~7, before the~~
2 ~~later of September 30 or the 60th day after the date the certified~~
3 ~~appraisal roll is received by the taxing unit,~~] shall adopt a tax
4 rate for the current tax year and shall notify the assessor for the
5 taxing unit of the rate adopted. The governing body must adopt a
6 tax rate before the later of September 30 or the 60th day after the
7 date the certified appraisal roll is received by the taxing unit,
8 except that the governing body must adopt a tax rate that exceeds
9 the voter-approved tax rate not later than the 71st day before the
10 next uniform election date prescribed by Section 41.001, Election
11 Code, that occurs in November of that year. The tax rate consists
12 of two components, each of which must be approved separately. The
13 components are:

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

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

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

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

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

27 (A) the following statement: "THIS TAX RATE WILL

1 RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S
2 TAX RATE."; and

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

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

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

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

22 (c) If the governing body of a taxing unit does not adopt a
23 tax rate before the date required by Subsection (a), the tax rate
24 for the taxing unit for that tax year is the lower of the
25 no-new-revenue [~~effective~~] tax rate calculated for that tax year or
26 the tax rate adopted by the taxing unit for the preceding tax year.
27 A tax rate established by this subsection is treated as an adopted

1 tax rate. Before the fifth day after the establishment of a tax
 2 rate by this subsection, the governing body of the taxing unit must
 3 ratify the applicable tax rate in the manner required by Subsection
 4 (b).

5 (d) The governing body of a taxing unit other than a school
 6 district may not adopt a tax rate that exceeds the lower of the
 7 voter-approved [~~rollback~~] tax rate or the no-new-revenue
 8 [~~effective~~] tax rate calculated as provided by this chapter until
 9 the governing body has held a public hearing [~~two public hearings~~]
 10 on the proposed tax rate and has otherwise complied with Section
 11 26.06 and Section 26.065. The governing body of a taxing unit shall
 12 reduce a tax rate set by law or by vote of the electorate to the
 13 lower of the voter-approved [~~rollback~~] tax rate or the
 14 no-new-revenue [~~effective~~] tax rate and may not adopt a higher rate
 15 unless it first complies with Section 26.06.

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

21 (1) delivered the notice required by Section
 22 26.04(e-2); and

23 (2) complied with Section 26.17(e).

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

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

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

1 shall adopt rules governing the form of the certification required
2 by this subsection and the manner in which it is required to be
3 submitted.

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

16 SECTION 39. Section 26.052, Tax Code, is amended by
17 amending Subsection (e) and adding Subsection (f) to read as
18 follows:

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

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

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

26 (3) if the proposed tax rate for the taxing unit
27 exceeds the taxing unit's no-new-revenue [~~effective~~] tax rate

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

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

12 SECTION 40. Section 26.06, Tax Code, is amended by amending
13 Subsections (a), (b), (c), (d), and (e) and adding Subsections
14 (b-1), (b-2), (b-3), and (b-4) to read as follows:

15 (a) A public hearing required by Section 26.05 may not be
16 held before the seventh day after the date the notice of the public
17 hearing is given. The [~~second hearing may not be held earlier than~~
18 ~~the third day after the date of the first hearing. Each~~] hearing
19 must be on a weekday that is not a public holiday. The [~~Each~~]
20 hearing must be held inside the boundaries of the unit in a publicly
21 owned building or, if a suitable publicly owned building is not
22 available, in a suitable building to which the public normally has
23 access. At the hearing [~~hearings~~], the governing body must afford
24 adequate opportunity for proponents and opponents of the tax
25 increase to present their views.

26 (b) The notice of a public hearing may not be smaller than
27 one-quarter page of a standard-size or a tabloid-size newspaper,

1 and the headline on the notice must be in 24-point or larger type.

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

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

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

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

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

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

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

1 ~~residence homestead in the taxing unit for the preceding tax year,~~
2 ~~disregarding residence homestead exemptions available only to~~
3 ~~disabled persons or persons 65 years of age or older).~~

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

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

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

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

"NOTICE OF PUBLIC HEARING ON TAX INCREASE

"PROPOSED TAX RATE \$_____ per \$100

"NO-NEW-REVENUE TAX RATE \$_____ per \$100

"VOTER-APPROVED TAX RATE \$_____ per \$100

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

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

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

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

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

1 hours).

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

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

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

9 (b-2) If the proposed tax rate exceeds the no-new-revenue
10 tax rate but does not exceed the voter-approved tax rate of the
11 taxing unit, the notice must contain a statement in the following
12 form:

13 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

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

15 "NO-NEW-REVENUE TAX RATE \$_____ per \$100

16 "VOTER-APPROVED TAX RATE \$_____ per \$100

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

22 "The voter-approved tax rate is the highest tax rate that
23 (name of taxing unit) may adopt without holding an election to
24 ratify the rate.

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

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

3 "The proposed tax rate is not greater than the voter-approved
4 tax rate. As a result, (name of taxing unit) is not required to hold
5 an election at which voters may accept or reject the proposed tax
6 rate. However, you may express your support for or opposition to
7 the proposed tax rate by contacting the members of the (name of
8 governing body) of (name of taxing unit) at their offices or by
9 attending the public hearing mentioned above.

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

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

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

17 (b-3) If the proposed tax rate does not exceed the
18 no-new-revenue tax rate but exceeds the voter-approved tax rate of
19 the taxing unit, the notice must contain a statement in the
20 following form:

21 "NOTICE OF PUBLIC HEARING ON TAX RATE

22 <u>"PROPOSED TAX RATE</u>	<u>\$_____ per \$100</u>
23 <u>"NO-NEW-REVENUE TAX RATE</u>	<u>\$_____ per \$100</u>
24 <u>"VOTER-APPROVED TAX RATE</u>	<u>\$_____ per \$100</u>

25 "The no-new-revenue tax rate is the tax rate for the (current
26 tax year) tax year that will raise the same amount of property tax
27 revenue for (name of taxing unit) from the same properties in both

1 the (preceding tax year) tax year and the (current tax year) tax
2 year.

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

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

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

11 "The proposed tax rate is greater than the voter-approved tax
12 rate. If (name of taxing unit) adopts the proposed tax rate, (name
13 of taxing unit) is required to hold an election so that the voters
14 may accept or reject the proposed tax rate. If a majority of the
15 voters reject the proposed tax rate, the (name of taxing unit) will
16 be required to adopt a new tax rate that is not greater than the
17 voter-approved tax rate. The election will be held on (date of
18 election). You may contact the (name of office responsible for
19 administering the election) for information about voting
20 locations. The hours of voting on election day are (voting hours).

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

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

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

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

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

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

21 "NOTICE OF TAX REVENUE INCREASE

22 "The (name of the taxing unit) conducted a public hearing
 23 [~~hearings~~] on (date of [~~first~~] hearing) [~~and (date of second~~
 24 ~~hearing)~~] on a proposal to increase the total tax revenues of the
 25 (name of the taxing unit) from properties on the tax roll in the
 26 preceding year by (percentage by which proposed tax rate exceeds
 27 lower of voter-approved [~~rollback~~] tax rate or no-new-revenue

1 [~~effective~~] tax rate calculated under this chapter) percent.

2 "The total tax revenue proposed to be raised last year at last
3 year's tax rate of (insert tax rate for the preceding year) for each
4 \$100 of taxable value was (insert total amount of taxes imposed in
5 the preceding year).

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

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

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

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

24 (e) The meeting to vote on the tax increase may not be
25 earlier than the third day or later than the seventh [~~14th~~] day
26 after the date of the [~~second~~] public hearing. The meeting must be
27 held inside the boundaries of the taxing unit in a publicly owned

1 building or, if a suitable publicly owned building is not
2 available, in a suitable building to which the public normally has
3 access. If the governing body does not adopt a tax rate that
4 exceeds the lower of the voter-approved [~~rollback~~] tax rate or the
5 no-new-revenue [~~effective~~] tax rate by the seventh [~~14th~~] day, it
6 must give a new notice under Subsection (d) before it may adopt a
7 rate that exceeds the lower of the voter-approved [~~rollback~~] tax
8 rate or the no-new-revenue [~~effective~~] tax rate.

9 SECTION 41. Chapter 26, Tax Code, is amended by adding
10 Sections 26.061 and 26.062 to read as follows:

11 Sec. 26.061. NOTICE OF MEETING TO VOTE ON PROPOSED TAX RATE
12 THAT DOES NOT EXCEED LOWER OF NO-NEW-REVENUE OR VOTER-APPROVED TAX
13 RATE. (a) This section applies only to the governing body of a
14 taxing unit other than a school district that proposes to adopt a
15 tax rate that does not exceed the lower of the no-new-revenue tax
16 rate or the voter-approved tax rate calculated as provided by this
17 chapter.

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

21 "NOTICE OF MEETING TO VOTE ON TAX RATE

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

23 "NO-NEW-REVENUE TAX RATE \$_____ per \$100

24 "VOTER-APPROVED TAX RATE \$_____ per \$100

25 "The no-new-revenue tax rate is the tax rate for the (current
26 tax year) tax year that will raise the same amount of property tax
27 revenue for (name of taxing unit) from the same properties in both

1 the (preceding tax year) tax year and the (current tax year) tax
2 year.

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

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

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

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

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

6 (1) a statement in the following form:

7 "The following table compares the taxes imposed on the
8 average residence homestead by (name of taxing unit) last year to
9 the taxes proposed to be imposed on the average residence homestead
10 by (name of taxing unit) this year:";

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14 (4) the fourth column of the second row must state the
15 nominal and percentage difference between the adopted tax rate for
16 the preceding tax year and the proposed tax rate for the current tax
17 year as follows: "(increase or decrease, as applicable) of
18 (nominal difference between tax rate stated in second column of
19 second row and tax rate stated in third column of second row) per
20 \$100, or (percentage difference between tax rate stated in second
21 column of second row and tax rate stated in third column of second
22 row)%".

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

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

26 (2) the second column of the third row must state the
27 average taxable value of a residence homestead in the taxing unit

1 for the preceding tax year;

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

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

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

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

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

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

27 (4) the fourth column of the fourth row must state the

1 nominal and percentage difference between the amount of taxes
2 imposed by the taxing unit in the preceding tax year on a residence
3 homestead with a taxable value equal to the average taxable value of
4 a residence homestead in the taxing unit in the preceding tax year
5 and the amount of taxes that would be imposed by the taxing unit in
6 the current tax year on a residence homestead with a taxable value
7 equal to the average taxable value of a residence homestead in the
8 taxing unit in the current tax year if the taxing unit adopted the
9 proposed tax rate, as follows: "(increase or decrease, as
10 applicable) of (nominal difference between amount stated in second
11 column of fourth row and amount stated in third column of fourth
12 row), or (percentage difference between amount stated in second
13 column of fourth row and amount stated in third column of fourth
14 row)%".

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

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

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

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

23 (4) the fourth column of the fifth row must state the
24 nominal and percentage difference between the total amount of taxes
25 imposed by the taxing unit in the preceding tax year and the amount
26 that would be imposed by the taxing unit in the current tax year if
27 the taxing unit adopted the proposed tax rate, as follows:

1 "(increase or decrease, as applicable) of (nominal difference
2 between amount stated in second column of fifth row and amount
3 stated in third column of fifth row), or (percentage difference
4 between amount stated in second column of fifth row and amount
5 stated in third column of fifth row)%".

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

12 SECTION 42. Section 26.065(b), Tax Code, is amended to read
13 as follows:

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

21 SECTION 43. The heading to Section 26.08, Tax Code, is
22 amended to read as follows:

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

25 SECTION 44. Section 26.08, Tax Code, is amended by amending
26 Subsections (a), (b), (d), (d-1), (d-2), (e), (g), (h), (i), (n),
27 and (p) and adding Subsections (b-1) and (q) to read as follows:

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

15 (b) This subsection applies only to a taxing unit other than
16 a school district. The governing body shall order that the election
17 be held in the taxing unit [~~school district~~] on the uniform election
18 date prescribed by [~~a date not less than 30 or more than 90 days~~
19 ~~after the day on which it adopted the tax rate.~~] Section 41.001,
20 Election Code, that occurs in November of the applicable tax year.
21 The order calling the election may not be issued later than August
22 15 [~~does not apply to the election unless a date specified by that~~
23 ~~section falls within the time permitted by this section~~]. At the
24 election, the ballots shall be prepared to permit voting for or
25 against the proposition: "Approving the ad valorem tax rate of
26 \$_____ per \$100 valuation in (name of taxing unit [~~school~~
27 ~~district~~]) for the current year, a rate that is \$_____ higher per

1 \$100 valuation than the voter-approved [~~school district rollback~~]
 2 tax rate of (name of taxing unit), for the purpose of (description
 3 of purpose of increase)." The ballot proposition must include the
 4 adopted tax rate and the difference between that rate and the
 5 voter-approved [~~rollback~~] tax rate in the appropriate places.

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

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

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

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

26 (e) For purposes of this section, local tax funds dedicated
27 to a junior college district under Section 45.105(e), Education

1 Code, shall be eliminated from the calculation of the tax rate
2 adopted by the governing body of a ~~the~~ school district. However,
3 the funds dedicated to the junior college district are subject to
4 Section 26.085.

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

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

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

1 current year had been in effect for the preceding year.

2 (n) For purposes of this section, the voter-approved
3 ~~[rollback]~~ tax rate of a school district ~~[whose maintenance and~~
4 ~~operations tax rate for the 2005 tax year was \$1.50 or less per \$100~~
5 ~~of taxable value]~~ is the sum of the following:

6 (1) the rate per \$100 of taxable value that is equal to
7 the product of the no-new-revenue maintenance and operations tax
8 rate of the district as computed under Subsection (i) and 1.025 ~~[for~~
9 ~~the 2006 tax year, the sum of the rate that is equal to 88.67 percent~~
10 ~~of the maintenance and operations tax rate adopted by the district~~
11 ~~for the 2005 tax year, the rate of \$0.04 per \$100 of taxable value,~~
12 ~~and the district's current debt rate]; and~~

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

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

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

20 ~~[(ii) the rate of \$0.04 per \$100 of taxable~~
21 ~~value;~~

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

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

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

2 [~~(i)~~ ~~the effective maintenance and~~
3 ~~operations tax rate of the district as computed under Subsection~~
4 ~~(i) or (k), as applicable,~~

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

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

10 (p) Notwithstanding Subsections (i) and ~~(n)~~, ~~and (o)~~,
11 if for the preceding tax year a school district adopted a
12 maintenance and operations tax rate that was less than the
13 district's no-new-revenue ~~[effective]~~ maintenance and operations
14 tax rate for that preceding tax year, the voter-approved ~~[rollback]~~
15 tax rate of the district for the current tax year is calculated as
16 if the district adopted a maintenance and operations tax rate for
17 the preceding tax year that was equal to the district's
18 no-new-revenue ~~[effective]~~ maintenance and operations tax rate for
19 that preceding tax year.

20 (q) Except as otherwise expressly provided by law, this
21 section does not apply to a tax imposed by a taxing unit if a
22 provision of an uncodified local or special law enacted by the 86th
23 Legislature, Regular Session, 2019, or by an earlier legislature
24 provides that former Section 26.07 does not apply to a tax imposed
25 by the taxing unit.

26 SECTION 45. The heading to Section 26.16, Tax Code, is
27 amended to read as follows:

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

3 SECTION 46. Section 26.16, Tax Code, is amended by amending
4 Subsections (a) and (d) and adding Subsections (a-1), (d-1), and
5 (d-2) to read as follows:

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

- 12 (1) the adopted tax rate;
- 13 (2) the maintenance and operations rate;
- 14 (3) the debt rate;
- 15 (4) the no-new-revenue [~~effective~~] tax rate;
- 16 (5) the no-new-revenue [~~effective~~] maintenance and
17 operations rate; and
- 18 (6) the voter-approved [~~rollback~~] tax rate.

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

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

27 "The county is providing this table of property tax rate

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

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

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

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

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

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

25 "The voter-approved [~~rollback~~] tax rate is the highest tax
26 rate a taxing unit may adopt before requiring voter approval at an
27 election. An [~~In the case of a taxing unit other than a school~~

1 ~~district, the voters by petition may require that a rollback~~
2 ~~election be held if the unit adopts a tax rate in excess of the~~
3 ~~unit's rollback tax rate. In the case of a school district, an]~~
4 election will automatically be held if a taxing unit [the district]
5 wishes to adopt a tax rate in excess of the taxing unit's
6 voter-approved [district's rollback] tax rate."

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

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

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

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

23 SECTION 47. Chapter 26, Tax Code, is amended by adding
24 Sections 26.17 and 26.18 to read as follows:

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

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

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

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 the
7 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 except to the extent that access to the information in the database
14 is restricted by Section [25.025](#) or [25.026](#).

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

17 (1) the property's identification number;

18 (2) the property's market value;

19 (3) the property's taxable value;

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

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

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

25 (B) the voter-approved tax rate;

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

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

5 (B) the voter-approved tax rate;

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

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

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

12 (B) the proposed tax rate;

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

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

20 (B) the proposed tax rate;

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

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

1 (9)(B);

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

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

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

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

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

19 (1) the information described by Subsections (b)(5),
20 (6), (7), (12), and (13), as applicable, as the information becomes
21 available; and

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

26 (e) The chief appraiser shall make the information
27 described by Subsection (d)(1) and the tax rate calculation forms

1 described by Subsection (d)(2) available to the public not later
2 than the third business day after the date the information and forms
3 are incorporated into the database.

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

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

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

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

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

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

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

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

27 (A) the preceding two years; and

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

25 SECTION 48. Sections 31.12(a) and (b), Tax Code, are
26 amended to read as follows:

27 (a) If a refund of a tax provided by Section 11.431(b),

1 26.08(d-2) [~~26.07(g)~~], 26.15(f), 31.11, 31.111, or 31.112 is paid
2 on or before the 60th day after the date the liability for the
3 refund arises, no interest is due on the amount refunded. If not
4 paid on or before that 60th day, the amount of the tax to be refunded
5 accrues interest at a rate of one percent for each month or part of a
6 month that the refund is unpaid, beginning with the date on which
7 the liability for the refund arises.

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

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

13 (2) if the refund is required by Section 26.08(d-2)
14 [~~26.07(g)~~], on the date the subsequent tax rate is adopted [~~results~~
15 ~~of the election to reduce the tax rate are certified~~];

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

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

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

24 (4) if the refund is required by Section 31.11, on the
25 date the auditor for the taxing unit determines that the payment was
26 erroneous or excessive or, if the amount of the refund exceeds the
27 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 49. 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 50. 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

1 exemption;

2 (3) [~~4~~] a determination that land qualifies for
3 appraisal as provided by Subchapter C, D, E, or H, Chapter 23; or

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

6 SECTION 51. Section 41.44(d), Tax Code, is amended to read
7 as follows:

8 (d) A notice of protest is sufficient if it identifies the
9 protesting property owner, including a person claiming an ownership
10 interest in the property even if that person is not listed on the
11 appraisal records as an owner of the property, identifies the
12 property that is the subject of the protest, and indicates apparent
13 dissatisfaction with some determination of the appraisal office.
14 The notice need not be on an official form, but the comptroller
15 shall prescribe a form that provides for more detail about the
16 nature of the protest. The form must permit a property owner to
17 include each property in the appraisal district that is the subject
18 of a protest. The form must permit a property owner to request that
19 the protest be heard by a special panel established under Section
20 6.425 if the protest will be determined by an appraisal review board
21 to which that section applies and the property is included in a
22 classification described by Section 6.425(b). The comptroller,
23 each appraisal office, and each appraisal review board shall make
24 the forms readily available and deliver one to a property owner on
25 request.

26 SECTION 52. Section 41.45, Tax Code, is amended by amending
27 Subsection (d) and adding Subsections (d-1), (d-2), and (d-3) to

1 read as follows:

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

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

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

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

7 SECTION 53. Section 41.46(a), Tax Code, is amended to read
8 as follows:

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

17 SECTION 54. Section 41.461, Tax Code, is amended to read as
18 follows:

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

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

27 (2) inform the property owner that the owner or the

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

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

8 (b) The chief appraiser may not charge a property owner or
9 the designated agent of the owner for copies provided to the [~~an~~]
10 owner or designated agent under this section, regardless of the
11 manner in which the copies are prepared or delivered [~~may not exceed~~
12 ~~the charge for copies of public information as provided under~~
13 ~~Subchapter F, Chapter 552, Government Code, except:~~

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

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

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

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

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

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

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

18 SECTION 55. Section 41.47, Tax Code, is amended by amending
19 Subsections (c) and (e) and adding Subsections (c-2), (f), and (g)
20 to read as follows:

21 (c) If the protest is of the determination of the appraised
22 value of the owner's property, the appraisal review board must
23 state in the order the appraised value of the property, listed
24 separately in the case of real property as the appraised value of
25 the land and the appraised value of any improvement to the land:

26 (1) as shown in the appraisal records submitted to the
27 board by the chief appraiser under Section 25.22 or 25.23; and

1 (2) as finally determined by the board.

2 (c-2) The board may not determine the appraised value of the
3 property that is the subject of a protest to be an amount greater
4 than the appraised value of the property as shown in the appraisal
5 records submitted to the board by the chief appraiser under Section
6 25.22 or 25.23, except as requested and agreed to by the property
7 owner.

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

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

20 (g) The chief appraiser and the property owner or the
21 designated agent of the owner may file a joint motion with the
22 appraisal review board notifying the board that the chief appraiser
23 and the property owner or the designated agent of the owner have
24 agreed to a disposition of the protest and requesting the board to
25 issue an agreed order. The joint motion must contain the terms of
26 the disposition of the protest. The board shall issue the agreed
27 order not later than the fifth day after the date on which the joint

1 motion is filed with the board. The chief appraiser and the
2 property owner or the designated agent of the owner may provide in
3 the joint motion that the agreed order is appealable in the same
4 manner as any other order issued by the board under this section.

5 SECTION 56. Section 41.66, Tax Code, is amended by amending
6 Subsections (h), (i), (j), and (k) and adding Subsections (j-1),
7 (k-1), and (p) to read as follows:

8 (h) The appraisal review board shall postpone a hearing on a
9 protest if the property owner or the designated agent of the owner
10 requests additional time to prepare for the hearing and establishes
11 to the board that the chief appraiser failed to comply with Section
12 41.461. The board is not required to postpone a hearing more than
13 one time under this subsection.

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

21 (j) On the request of a property owner or the [~~a~~] designated
22 agent of the owner, an appraisal review board shall schedule
23 hearings on protests concerning up to 20 designated properties to
24 be held consecutively on the same day. The designated properties
25 must be identified in the same notice of protest, and the notice
26 must contain in boldfaced type the statement "request for same-day
27 protest hearings." A property owner or the designated agent of the

1 owner may [~~not~~] file more than one request under this subsection
2 with the appraisal review board in the same tax year. The appraisal
3 review board may schedule hearings on protests concerning more than
4 20 properties filed by the same property owner or the designated
5 agent of the owner and may use different panels to conduct the
6 hearings based on the board's customary scheduling. The appraisal
7 review board may follow the practices customarily used by the board
8 in the scheduling of hearings under this subsection.

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

26 (k) This subsection does not apply to a special panel
27 established under Section 6.425. If an appraisal review board sits

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

18 (k-1) On the request of a property owner or the designated
19 agent of the owner, an appraisal review board to which Section 6.425
20 applies shall assign a protest relating to property described by
21 Section 6.425(b) to a special panel. In addition, the chairman of
22 the appraisal review board may assign a protest relating to
23 property not described by Section 6.425(b) to a special panel as
24 authorized by Section 6.425(f), but only if the assignment is
25 requested or consented to by the property owner or the designated
26 agent of the owner. Protests assigned to special panels shall be
27 randomly assigned to those panels. If a protest is scheduled to be

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

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

17 SECTION 57. Section 41.67(d), Tax Code, is amended to read
18 as follows:

19 (d) Information that was previously requested under Section
20 41.461 by the protesting party that was not delivered [~~made~~
21 ~~available~~] to the protesting party at least 14 days before the
22 scheduled or postponed hearing may not be used or offered in any
23 form as evidence in the hearing, including as a document or through
24 argument or testimony.

25 SECTION 58. Section 41.71, Tax Code, is amended to read as
26 follows:

27 Sec. 41.71. EVENING AND WEEKEND HEARINGS. (a) An

1 appraisal review board by rule shall provide for hearings on
2 protests [~~in the evening or~~] on a Saturday or after 5 p.m. on a
3 weekday [~~Sunday~~].

4 (b) The board may not schedule:

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

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

8 SECTION 59. Section 41A.03(a), Tax Code, is amended to read
9 as follows:

10 (a) To appeal an appraisal review board order under this
11 chapter, a property owner must file with the appraisal district not
12 later than the 60th [~~45th~~] day after the date the property owner
13 receives notice of the order:

14 (1) a completed request for binding arbitration under
15 this chapter in the form prescribed by Section 41A.04; and

16 (2) an arbitration deposit made payable to the
17 comptroller in the amount of:

18 (A) \$450, if the property qualifies as the
19 owner's residence homestead under Section 11.13 and the appraised
20 or market value, as applicable, of the property is \$500,000 or less,
21 as determined by the order;

22 (B) \$500, if the property qualifies as the
23 owner's residence homestead under Section 11.13 and the appraised
24 or market value, as applicable, of the property is more than
25 \$500,000, as determined by the order;

26 (C) \$500, if the property does not qualify as the
27 owner's residence homestead under Section 11.13 and the appraised

1 or market value, as applicable, of the property is \$1 million or
2 less, as determined by the order;

3 (D) \$800, if the property does not qualify as the
4 owner's residence homestead under Section 11.13 and the appraised
5 or market value, as applicable, of the property is more than \$1
6 million but not more than \$2 million, as determined by the order;

7 (E) \$1,050, if the property does not qualify as
8 the owner's residence homestead under Section 11.13 and the
9 appraised or market value, as applicable, of the property is more
10 than \$2 million but not more than \$3 million, as determined by the
11 order; or

12 (F) \$1,550, if the property does not qualify as
13 the owner's residence homestead under Section 11.13 and the
14 appraised or market value, as applicable, of the property is more
15 than \$3 million but not more than \$5 million, as determined by the
16 order.

17 SECTION 60. Section 41A.05, Tax Code, is amended by adding
18 Subsection (c) to read as follows:

19 (c) The comptroller may not reject an application submitted
20 to the comptroller under this section unless:

21 (1) the comptroller delivers written notice to the
22 applicant of the defect in the application that would be the cause
23 of the rejection; and

24 (2) the applicant fails to cure the defect on or before
25 the 15th day after the date the comptroller delivers the notice.

26 SECTION 61. Section 41A.06(b), Tax Code, is amended to read
27 as follows:

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

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

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

5 (B) have:

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

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

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

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

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

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

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

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

26 (A) \$400, if the property qualifies as the
27 owner's residence homestead under Section 11.13 and the appraised

1 or market value, as applicable, of the property is \$500,000 or less,
2 as determined by the order;

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

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

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

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

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

25 SECTION 62. Section 41A.061(b), Tax Code, is amended to
26 read as follows:

27 (b) To renew the person's agreement to serve as an

1 arbitrator, the person must:

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

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

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

10 SECTION 63. Section 41A.07, Tax Code, is amended by
11 amending Subsections (e), (f), and (g) and adding Subsection (h) to
12 read as follows:

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

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

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

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

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

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

27 (3) served as a member of the appraisal review board

1 for that appraisal district.

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

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

22 SECTION 64. Section 41A.09, Tax Code, is amended by
23 amending Subsection (b) and adding Subsection (f) to read as
24 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

1 the appeal;

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

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

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

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

12 (f) The arbitrator may not determine the appraised value of
13 the property that is the subject of an arbitration to be an amount
14 greater than the appraised value of the property as shown in the
15 appraisal records submitted to the appraisal review board by the
16 chief appraiser under Section 25.22 or 25.23, except as requested
17 and agreed to by the property owner.

18 SECTION 65. Subchapter A, Chapter 42, Tax Code, is amended
19 by adding Section 42.081 to read as follows:

20 Sec. 42.081. DEFERRAL OF DELINQUENT TAX SUIT DURING APPEAL.
21 A taxing unit that imposes taxes on property that is the subject of
22 an appeal under this chapter may not file a suit to collect a
23 delinquent tax on the property during the pendency of the appeal
24 unless it is determined by the court that the property owner failed
25 to comply with Section 42.08.

26 SECTION 66. Section 42.23, Tax Code, is amended by adding
27 Subsections (j), (k), and (l) to read as follows:

1 (j) An entity is not required to be registered to do
2 business in this state in order to file an appeal under this chapter
3 or to be considered a proper party to bring a petition. A request
4 for information regarding an entity's registration status is
5 outside the scope of permissible discovery in an appeal under this
6 chapter and may not be made a prerequisite to a settlement
7 discussion related to that appeal.

8 (k) A party to an appeal under this chapter may file an
9 objection to third-party discovery. The court shall grant
10 third-party discovery subject to the objection only if the
11 discovery:

12 (1) is necessary under generally accepted appraisal
13 methods and techniques to determine the value of the property that
14 is the subject of the appeal; and

15 (2) would be admissible at trial.

16 (l) A party to an appeal under Section 42.26 may file an
17 objection to a discovery request for a closing statement, a rent
18 roll, or an operating statement. The court shall grant the
19 discovery request subject to the objection only if the discovery:

20 (1) is necessary under generally accepted appraisal
21 methods and techniques to determine the value of the property that
22 is the subject of the appeal; and

23 (2) would be admissible at trial.

24 SECTION 67. Section 42.24, Tax Code, is amended to read as
25 follows:

26 Sec. 42.24. ACTION BY COURT. (a) In determining an
27 appeal, the district court may:

1 (1) fix the appraised value of property in accordance
2 with the requirements of law if the appraised value is at issue;

3 (2) enter the orders necessary to ensure equal
4 treatment under the law for the appealing property owner if
5 inequality in the appraisal of his property is at issue; or

6 (3) enter other orders necessary to preserve rights
7 protected by and impose duties required by the law.

8 (b) The district court may not enter an order fixing the
9 appraised value of the property that is the subject of an appeal to
10 be an amount greater than the appraised value of the property as
11 shown in the appraisal records submitted to the appraisal review
12 board by the chief appraiser under Section 25.22 or 25.23, except as
13 requested and agreed to by the property owner.

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

16 (e) The governing body of an independent school district
17 that governs a junior college district under Subchapter B, Chapter
18 130, in a county with a population of more than two million may
19 dedicate a specific percentage of the local tax levy to the use of
20 the junior college district for facilities and equipment or for the
21 maintenance and operating expenses of the junior college district.
22 To be effective, the dedication must be made by the governing body
23 on or before the date on which the governing body adopts its tax
24 rate for a year. The amount of local tax funds derived from the
25 percentage of the local tax levy dedicated to a junior college
26 district from a tax levy may not exceed the amount that would be
27 levied by five percent of the no-new-revenue [~~effective~~] tax rate

1 for the tax year calculated as provided by Section 26.04, Tax Code,
2 on all property taxable by the school district. All real property
3 purchased with these funds is the property of the school district,
4 but is subject to the exclusive control of the governing body of the
5 junior college district for as long as the junior college district
6 uses the property for educational purposes.

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

9 (b) If the board of trustees of an independent school
10 district that divests itself of the management, control, and
11 operation of a junior college district under this section or under
12 Section 130.017 [~~of this code~~] was authorized by [~~Subsection (e)~~
13 ~~of~~] Section 45.105(e) or former Section 20.48(e) [~~20.48 of~~
14 ~~this code~~] to dedicate a portion of its tax levy to the junior
15 college district before the divestment, the junior college district
16 may levy an ad valorem tax from and after the divestment. In the
17 first two years in which the junior college district levies an ad
18 valorem tax, the tax rate adopted by the governing body may not
19 exceed the rate that, if applied to the total taxable value
20 submitted to the governing body under Section 26.04, Tax Code,
21 would impose an amount equal to the amount of taxes of the school
22 district dedicated to the junior college under [~~Subsection (e) of~~
23 Section 45.105(e) or former Section 20.48(e) [~~20.48 of this code~~]
24 in the last dedication before the divestment. In subsequent years,
25 the tax rate of the junior college district is subject to Section
26 26.08 [~~26.07~~], Tax Code.

27 SECTION 70. Section 403.302(o), Government Code, is amended

1 to read as follows:

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

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

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

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

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

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

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

25 (A) "This budget will raise more revenue from
26 property taxes than last year's budget by an amount of (insert total
27 dollar amount of increase), which is a (insert percentage increase)

1 percent increase 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).";

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

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

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

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

22 (A) the property tax rate;

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

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

26 (D) the voter-approved [~~rollback~~] tax rate; and

27 (E) the debt rate; and

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

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

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

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

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

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

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

27 (2) the record vote of each member of the

1 commissioners court by name voting on the adoption of the budget;

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

5 (A) the property tax rate;

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

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

9 (D) the voter-approved [~~rollback~~] tax rate; and

10 (E) the debt rate; and

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

12 SECTION 74. Section [111.039](#)(d), Local Government Code, is
13 amended to read as follows:

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

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

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

25 (B) "This budget will raise less revenue from
26 property taxes than last year's budget by an amount of (insert total
27 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 voter-approved [~~rollback~~] tax rate; and

20 (E) the debt rate; and

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

22 SECTION 75. 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:

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

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

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

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

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

- 25 (A) the property tax rate;
- 26 (B) the no-new-revenue [~~effective~~] tax rate;
- 27 (C) the no-new-revenue [~~effective~~] maintenance

1 and operations tax rate;

2 (D) the voter-approved [~~rollback~~] tax rate; and

3 (E) the debt rate; and

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

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

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

14 SECTION 77. Sections [1122.2522](#), [3828.157](#), and [8876.152](#),
15 Special District Local Laws Code, are amended to read as follows:

16 Sec. 1122.2522. VOTER-APPROVED [~~ROLLBACK~~] TAX RATE
17 PROVISIONS APPLICABLE. [~~(a)~~] If in any year the board adopts a tax
18 rate that exceeds the voter-approved [~~rollback~~] tax rate calculated
19 as provided by Chapter [26](#), Tax Code, [~~the qualified voters of the~~
20 ~~district by petition may require that~~] an election under Section
21 [26.08](#) of that code must be held to determine whether or not to
22 approve [~~reduce~~] the tax rate adopted by the board for that year [~~to~~
23 ~~the rollback tax rate~~].

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

27 Sec. 3828.157. INAPPLICABILITY OF CERTAIN TAX CODE

1 PROVISIONS. Sections [26.04](#), [26.05](#), and [26.08](#) [~~26.07~~], Tax Code, do
2 not apply to a tax imposed under Section [3828.153](#) or [3828.156](#).

3 Sec. 8876.152. APPLICABILITY OF CERTAIN TAX PROVISIONS.

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

6 (b) Sections [49.236](#)(a)(1) and (2) and (b) [~~Section [49.236](#)],~~
7 Water Code, apply [as added by Chapter 248 (H.B. 1541), Acts of the
8 ~~78th Legislature, Regular Session, 2003, applies]~~ to the district.

9 SECTION 78. Section [49.107](#)(g), Water Code, is amended to
10 read as follows:

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

15 SECTION 79. Section [49.108](#)(f), Water Code, is amended to
16 read as follows:

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

20 SECTION 80. Section [49.236](#), Water Code, as added by Chapter
21 335 (S.B. 392), Acts of the 78th Legislature, Regular Session,
22 2003, is amended by amending Subsections (a) and (d) and adding
23 Subsections (e) and (f) to read as follows:

24 (a) Before the board adopts an ad valorem tax rate for the
25 district for debt service, operation and maintenance purposes, or
26 contract purposes, the board shall give notice of each meeting of
27 the board at which the adoption of a tax rate will be considered.

1 The notice must:

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

4 "NOTICE OF PUBLIC HEARING ON TAX RATE

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

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

18 (2) contain the following information:

19 (A) the district's total adopted tax rate for the
20 preceding year and the proposed tax rate, expressed as an amount per
21 \$100;

22 (B) the difference, expressed as an amount per
23 \$100 and as a percent increase or decrease, as applicable, in the
24 proposed tax rate compared to the adopted tax rate for the preceding
25 year;

26 (C) the average appraised value of a residence
27 homestead in the district in the preceding year and in the current

1 year; the district's total homestead exemption, other than an
2 exemption available only to disabled persons or persons 65 years of
3 age or older, applicable to that appraised value in each of those
4 years; and the average taxable value of a residence homestead in the
5 district in each of those years, disregarding any homestead
6 exemption available only to disabled persons or persons 65 years of
7 age or older;

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

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

20 (F) the difference between the amounts of tax
21 calculated under Paragraphs (D) and (E), expressed in dollars and
22 cents and described as the annual percentage increase or decrease,
23 as applicable, in the tax to be imposed by the district on the
24 average residence homestead in the district in the current year if
25 the proposed tax rate is adopted; and

26 (G) if the proposed combined debt service,
27 operation and maintenance, and contract tax rate requires an

1 election in the district to ratify the tax rate, a description of
 2 the purpose of the proposed tax increase; and

3 (3) if development in the district was substantially
 4 complete for the duration of the preceding tax year, contain a
 5 statement in substantially the following form:

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

7 "If operation and maintenance taxes on the average residence
 8 homestead increase by more than 3.5 [~~eight~~] percent, [~~the qualified~~
 9 ~~voters of the district by petition may require that~~] an election
 10 must be held to determine whether to ratify [~~reduce~~] the [~~operation~~
 11 ~~and maintenance~~] tax rate [~~to the rollback tax rate~~] under Section
 12 49.236(d), Water Code."

13 (d) This subsection applies to a district only if
 14 development in the district was substantially complete for the
 15 duration of the preceding tax year. If the board [~~governing body~~]
 16 of the [~~a~~] district adopts a combined debt service, operation and
 17 maintenance, and contract tax rate that exceeds the voter-approved
 18 tax rate, [~~would impose more than 1.08 times the amount of tax~~
 19 ~~imposed by the district in the preceding year on a residence~~
 20 ~~homestead appraised at the average appraised value of a residence~~
 21 ~~homestead in the district in that year, disregarding any homestead~~
 22 ~~exemption available only to disabled persons or persons 65 years of~~
 23 ~~age or older, the qualified voters of the district by petition may~~
 24 ~~require that~~] an election must be held to determine whether [~~or not~~]
 25 to ratify [~~reduce~~] the tax rate adopted for the current year [~~to the~~
 26 ~~rollback tax rate~~] in accordance with the procedures provided by
 27 Sections 26.08(b), (c), and (d) [~~26.07(b)-(g) and 26.081~~], Tax

1 Code.

2 (e) For purposes of Sections 26.08(b), (c), and (d), Tax
3 Code, [26.07(b)-(g)] and this section [subsection], the
4 voter-approved [rollback] tax rate of a district is the sum of the
5 following tax rates:

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

7 (2) the current year's [and] contract tax rate; and

8 (3) [rates plus] the operation and maintenance tax
9 rate that would impose 1.035 [1.08] times the amount of the
10 operation and maintenance tax imposed by the district in the
11 preceding year on a residence homestead appraised at the average
12 appraised value of a residence homestead in the district in that
13 year, disregarding any homestead exemption available only to
14 disabled persons or persons 65 years of age or older.

15 (f) For purposes of this section, development within a
16 district is considered substantially complete if the district has
17 financed, completed, and issued bonds to pay for all land, works,
18 improvements, facilities, plants, equipment, and appliances
19 necessary to serve at least 95 percent of the projected build-out of
20 the district in accordance with the purposes for its creation or the
21 purposes authorized by the constitution, this code, or any other
22 law.

23 SECTION 81. Section 6B(f), Chapter 1472, Acts of the 77th
24 Legislature, Regular Session, 2001, is amended to read as follows:

25 (f) The district may provide that payments required by any
26 of the district's contracts, agreements, or leases may be payable
27 from the sale of notes, taxes, or bonds, or any combination of

1 notes, taxes, or bonds, or may be secured by a lien on or a pledge of
2 any available funds, including proceeds of the district's
3 maintenance tax, and may be payable subject to annual appropriation
4 by the district. The district may pledge to impose and may impose a
5 maintenance tax in an amount sufficient to comply with the
6 district's obligations under the district's contracts, leases, and
7 agreements at a maximum aggregate rate not to exceed 10 cents for
8 each \$100 valuation of taxable property in the district. Sections
9 26.012, 26.04, 26.05, and 26.08 [~~26.07~~, and ~~26.012~~], Tax Code, do
10 not apply to maintenance taxes levied and collected for payments
11 under a contract, agreement, lease, time warrant, or maintenance
12 note issued or executed under this section.

13 SECTION 82. The following provisions are repealed:

- 14 (1) Sections 403.302(m-1) and (n), Government Code;
- 15 (2) Section 140.010, Local Government Code;
- 16 (3) Section 1063.255, Special District Local Laws
17 Code;
- 18 (4) Sections 5.103(e) and (f), 6.412(e), 22.23(c),
19 26.07, 26.08(o), and 41A.06(c), Tax Code;
- 20 (5) Section 49.236, Water Code, as added by Chapter
21 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session,
22 2003; and
- 23 (6) Section 49.2361, Water Code.

24 SECTION 83. (a) Section 9, Chapter 481 (S.B. 1760), Acts
25 of the 84th Legislature, Regular Session, 2015, which added Section
26 42.23(i), Tax Code, effective January 1, 2020, is repealed.

27 (b) This section takes effect September 1, 2019.

1 SECTION 84. Section 5.041, Tax Code, as amended by this Act,
2 applies only to an appraisal review board member appointed to serve
3 a term of office that begins on or after January 1, 2020.

4 SECTION 85. The comptroller of public accounts shall
5 implement Section 5.043, Tax Code, as added by this Act, as soon as
6 practicable after January 1, 2020.

7 SECTION 86. Sections 5.05, 5.102, and 5.13, Tax Code, as
8 amended by this Act, apply only to the appraisal of property for ad
9 valorem tax purposes for a tax year beginning on or after January 1,
10 2020.

11 SECTION 87. (a) The comptroller of public accounts shall
12 comply with Sections 5.07(f), (g), (h), and (i), Tax Code, as added
13 by this Act, as soon as practicable after January 1, 2020.

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

17 SECTION 88. The comptroller of public accounts shall
18 prepare and make available the survey form and instructions for
19 completing and submitting the form required by Section 5.104, Tax
20 Code, as added by this Act, as soon as practicable after January 1,
21 2020. An appraisal district is not required to provide the survey
22 form or instructions under a requirement of that section until the
23 form and instructions are prepared and made available by the
24 comptroller of public accounts.

25 SECTION 89. Section 6.41(d-9), Tax Code, as amended by this
26 Act, applies only to the appointment of appraisal review board
27 members to terms beginning on or after January 1, 2021.

1 SECTION 90. Section 6.412, Tax Code, as amended by this Act,
2 does not affect the eligibility of a person serving on an appraisal
3 review board immediately before January 1, 2020, to continue to
4 serve on the board for the term to which the member was appointed.

5 SECTION 91. Section 6.42(d), Tax Code, as added by this Act,
6 applies only to a recommendation, determination, decision, or other
7 action by an appraisal review board or a panel of such a board on or
8 after January 1, 2020. A recommendation, determination, decision,
9 or other action by an appraisal review board or a panel of such a
10 board before January 1, 2020, is governed by the law as it existed
11 immediately before that date, and that law is continued in effect
12 for that purpose.

13 SECTION 92. Sections 11.4391(a) and 22.23(d), Tax Code, as
14 amended by this Act, apply only to ad valorem taxes imposed for a
15 tax year beginning on or after January 1, 2020.

16 SECTION 93. (a) An appraisal district established in a
17 county with a population of 120,000 or more and each taxing unit
18 located wholly or partly in such an appraisal district shall comply
19 with Sections 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18,
20 Tax Code, as added by this Act, beginning with the 2021 tax year.

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

26 SECTION 94. Section 26.0442, Tax Code, as added by this Act,
27 applies to the no-new-revenue maintenance and operations rate of a

1 county to which that section applies beginning with the 2020 tax
2 year.

3 SECTION 95. (a) Not later than the 30th day after the date
4 this section takes effect:

5 (1) the designated officer or employee of each taxing
6 unit shall submit to the county assessor-collector for each county
7 in which all or part of the territory of the taxing unit is located
8 the worksheets used by the designated officer or employee to
9 calculate the effective and rollback tax rates of the taxing unit
10 for the 2015-2019 tax years; and

11 (2) the county assessor-collector for each county
12 shall post the worksheets submitted to the county
13 assessor-collector under Subdivision (1) of this subsection on the
14 Internet website of the county.

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

21 SECTION 96. A taxing unit that does not own, operate, or
22 control an Internet website is not required to comply with Sections
23 26.05(b)(2) and 26.065(b), Tax Code, as amended by this Act, until
24 the first tax year in which the taxing unit is required by law to
25 maintain or have access to an Internet website.

26 SECTION 97. Section 33.08(b), Tax Code, as amended by this
27 Act, applies only to taxes that become delinquent on or after

1 January 1, 2020. Taxes that become delinquent before that date are
2 governed by the law as it existed immediately before that date, and
3 that law is continued in effect for that purpose.

4 SECTION 98. Section 41.03(a), Tax Code, as amended by this
5 Act, applies only to a challenge under Chapter 41, Tax Code, for
6 which a challenge petition is filed on or after January 1, 2020. A
7 challenge under Chapter 41, Tax Code, for which a challenge
8 petition was filed before January 1, 2020, is governed by the law in
9 effect on the date the challenge petition was filed, and the former
10 law is continued in effect for that purpose.

11 SECTION 99. Sections 41.45 and 41.66(k), Tax Code, as
12 amended by this Act, and Section 41.66(k-1), Tax Code, as added by
13 this Act, apply only to a protest filed under Chapter 41, Tax Code,
14 on or after January 1, 2021. A protest filed under that chapter
15 before January 1, 2021, is governed by the law in effect on the date
16 the protest was filed, and the former law is continued in effect for
17 that purpose.

18 SECTION 100. Sections 41.46, 41.461, 41.47, 41.66(h), (i),
19 and (j), and 41.67, Tax Code, as amended by this Act, and Sections
20 41.66(j-1) and (p), Tax Code, as added by this Act, apply only to a
21 protest for which the notice of protest was filed by a property
22 owner or the designated agent of the owner with the appraisal review
23 board established for an appraisal district on or after January 1,
24 2020.

25 SECTION 101. Section 41.71, Tax Code, as amended by this
26 Act, applies only to a hearing on a protest under Chapter 41, Tax
27 Code, that is scheduled on or after January 1, 2020. A hearing on a

1 protest under Chapter 41, Tax Code, that is scheduled before
2 January 1, 2020, is governed by the law in effect on the date the
3 hearing was scheduled, and that law is continued in effect for that
4 purpose.

5 SECTION 102. Section 41A.03(a), Tax Code, as amended by
6 this Act, applies only to an appeal of an appraisal review board
7 order that a property owner receives notice of on or after the
8 effective date of this Act. An appeal of an appraisal review board
9 order that a property owner receives notice of before the effective
10 date of this Act is governed by the law in effect immediately before
11 the effective date of this Act, and that law is continued in effect
12 for that purpose.

13 SECTION 103. Sections 41A.05 and 41A.07, Tax Code, as
14 amended by this Act, apply only to a request for binding arbitration
15 received by the comptroller of public accounts from an appraisal
16 district on or after January 1, 2020.

17 SECTION 104. Section 41A.09, Tax Code, as amended by this
18 Act, applies only to an appeal through binding arbitration under
19 Chapter 41A, Tax Code, that is requested on or after January 1,
20 2020.

21 SECTION 105. Section 42.24, Tax Code, as amended by this
22 Act, applies only to an appeal under Chapter 42, Tax Code, that is
23 filed on or after January 1, 2020.

24 SECTION 106. The changes in law made by this Act in the
25 qualifications of persons serving as arbitrators in binding
26 arbitrations of appeals of appraisal review board orders do not
27 affect the entitlement of a person serving as an arbitrator

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

13 SECTION 107. (a) Not later than the 30th day after the date
14 this section takes effect, the comptroller of public accounts shall
15 mail a written notice to each appraisal district and the assessor
16 for each taxing unit in this state of:

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

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

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

1 of the legislative session.

2 SECTION 108. (a) In this section:

3 (1) "Compensation" includes a salary, wage, insurance
4 benefit, retirement benefit, or similar benefit an employee
5 receives as a condition of employment.

6 (2) "First responder" has the meaning assigned by
7 Section 504.019, Labor Code.

8 (3) "Taxing unit" has the meaning assigned by Section
9 1.04, Tax Code.

10 (b) This section applies only to the fiscal year of a taxing
11 unit that begins in 2020.

12 (c) The governing body of a taxing unit may not adopt a
13 budget for a fiscal year or take any other action that has the
14 effect of decreasing the total compensation to which a first
15 responder employed by the taxing unit was entitled in the preceding
16 fiscal year of the taxing unit.

17 SECTION 109. A reference in law to the rollback tax rate is
18 a reference to the voter-approved tax rate described by Chapter 26,
19 Tax Code, as amended by this Act.

20 SECTION 110. (a) Except as otherwise provided by this Act,
21 this Act takes effect January 1, 2020.

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

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

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

27 (3) Section 6.414(d), Tax Code, as amended by this

1 Act;

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

3 (5) Section 41.44(d), Tax Code, as amended by this
4 Act;

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

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

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

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

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

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

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

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

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

22 (5) Section 26.05(e), Tax Code, as amended by this
23 Act.

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