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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) The comptroller shall:
(1) approve curricula and provide an arbitration manual and other materials for use in training and educating arbitrators; 
(2) make all materials for use in training and
educating arbitrators freely available online; and

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

   (c) The training program must:

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

       (2) be at least four hours in length.

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

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

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

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

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

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

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

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

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

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

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

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

(3) be capable of being electronically incorporated into the real-time tax database maintained by the tax notice

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officer of each appraisal district and submitted electronically to
the county assessor-collector of each county in which all or part of
the territory of the taxing unit is located.

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

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

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

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

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

(2) list the tax rates alphabetically according to:

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

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

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

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

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

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

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

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

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

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

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

(2) instructions for completing and submitting the form.

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

(1) a property owner who files a motion under Section
25.25 to correct the appraisal roll or a protest under Chapter 41;
(2) the designated agent of the property owner; or
(3) a designated representative of the appraisal
district in which the motion or protest is filed who attends the
hearing on the motion or protest.
(c) The survey form must allow an individual to submit
comments and suggestions regarding:
(1) the matters listed in Section 5.103(b); and
(2) any other matter related to the fairness and
efficiency of the appraisal review board.
(d) An appraisal district must provide the survey form and
the instructions for completing and submitting the form to each
property owner or designated agent of the owner at or before each
hearing conducted under Section 25.25 or Chapter 41 by the
appraisal review board established for the appraisal district or by
a panel of the board.
(e) An individual who elects to submit the survey form must
submit the form to the comptroller as provided by this section. An
appraisal district may not accept a survey form submitted under
this section. An individual may submit only one survey form for
each motion or protest.
(f) The comptroller shall allow an individual to submit a
survey form to the comptroller in the following manner:
(1) in person;
(2) by mail;
(3) by electronic mail; or
(4) through a web page on the comptroller's Internet
An appraisal district may not require a property owner or the designated agent of the owner to complete a survey form at the appraisal office in order to be permitted to submit the form to the comptroller.

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

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

The comptroller may adopt rules necessary to implement this section.

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

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

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

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

(3) duplication of effort and efficiency of operation;

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

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

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

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

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

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

SECTION 14. Section 6.15, Tax Code, is amended by adding Subsection (c-1) to read as follows:
(c-1) Subsections (a) and (b) do not prohibit a member of the board of directors of an appraisal district from transmitting to the chief appraiser without comment a complaint by a property owner or taxing unit about the appraisal of a specific property, provided that the transmission is in writing.

SECTION 15. Section 6.41, Tax Code, is amended by amending Subsections (b) and (d-9) and adding Subsections (b-1), (b-2), and (d-10) to read as follows:
(b) Except as provided by Subsection (b-1) or (b-2), an appraisal review board consists of three members.
(b-1) An appraisal district board of directors by resolution of a majority of the board's members may increase the size of the district's appraisal review board to the number of members the board of directors considers appropriate.
(b-2) An appraisal district board of directors for a district established in a county with a population of one million or more by resolution of a majority of the board's members shall increase the size of the district's appraisal review board to the number of members the board of directors considers appropriate to manage the duties of the appraisal review board, including the duties of each special panel established under Section 6.425.
(d-9) In selecting individuals who are to serve as members of the appraisal review board for an appraisal district described
by Subsection (b-2), the local administrative district judge shall select an adequate number of qualified individuals to permit the chairman of the appraisal review board to fill the positions on each special panel established under Section 6.425.

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

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

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

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

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

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

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

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

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

or

(B) the appraisal review board.

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

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

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

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

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

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

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

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

(a) A majority of the appraisal review board constitutes a quorum. The local administrative district judge under Subchapter D, Chapter 74, Government Code, in the county in which the appraisal district is established shall select a chairman and a secretary from among the members of the appraisal review board. The judge is encouraged to select as chairman a member of the appraisal review board, if any, who has a background in law and property appraisal.

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

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

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

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

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

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

(A) commercial real and personal property;

(B) real and personal property of utilities;

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

(D) multifamily residential real property.

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

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

(1) hold a juris doctor or equivalent degree;

(2) hold a master of business administration degree;

(3) be licensed as a certified public accountant under Chapter 901, Occupations Code;
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(4) be accredited by the American Society of Appraisers as an accredited senior appraiser;

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

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

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

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

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

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

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

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

SECTION 20. Section 11.4391(a), Tax Code, is amended to read as follows:
(a) The chief appraiser shall accept and approve or deny an application for an exemption for freeport goods under Section 11.251 after the deadline for filing it has passed if it is filed not later than June 1.

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

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

(b) On written request by the property owner, the chief appraiser shall extend a deadline for filing a rendition statement or property report to a date not later than May 1. The chief appraiser may further extend the deadline an additional 15 days upon good cause shown in writing by the property owner.

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

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

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

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

1. the appraised value of the property is greater than it was in the preceding year;
2. the appraised value of the property is greater than the value rendered by the property owner;
3. the property was not on the appraisal roll in the preceding year; or
4. an exemption or partial exemption approved for the property for the preceding year was canceled or reduced for the current year.

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

1. a list of the taxing units in which the property is taxable;
2. the appraised value of the property in the
preceding year;
(3) the taxable value of the property in the preceding year for each taxing unit taxing the property;
(4) the appraised value of the property for the current year, the kind and amount of each exemption and partial exemption, if any, approved for the property for the current year and for the preceding year, and, if an exemption or partial exemption that was approved for the preceding year was canceled or reduced for the current year, the amount of the exemption or partial exemption canceled or reduced;
(5) [if the appraised value is greater than it was in the preceding year, the amount of tax that would be imposed on the property on the basis of the tax rate for the preceding year;]
(6) [in italics, the following statement: "The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials, and all inquiries concerning your taxes should be directed to those officials;]
(7) [a detailed explanation of the time and procedure for protesting the value;]
(8) [the date and place the appraisal review board will begin hearing protests; and]
(9) [a brief explanation that the governing body of each taxing unit decides whether or not taxes on the property will increase and the appraisal district only determines the value of the property.]

(b-3) This subsection applies only to an appraisal district
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1 described by Section 6.41(b-2). In addition to the information
2 required by Subsection (b), the chief appraiser shall state in a
3 notice of appraised value of property described by Section 6.425(b)
4 that the property owner has the right to have a protest relating to
5 the property heard by a special panel of the appraisal review board.
6 (b-4) Subsection (b)(5) applies only to a notice of
7 appraised value required to be delivered by the chief appraiser of
8 an appraisal district established in a county with a population of
9 less than 120,000. This subsection expires January 1, 2022.
10 (g) By April 15 or as soon thereafter as practicable [if
11 the property is a single-family residence that qualifies for an
12 exemption under Section 11.13, or by May 1 or as soon thereafter as
13 practicable in connection with any other property], the chief
14 appraiser shall deliver a written notice to the owner of each
15 property not included in a notice required to be delivered under
16 Subsection (a), if the property was reappraised in the current tax
17 year, if the ownership of the property changed during the preceding
18 year, or if the property owner or the agent of a property owner
19 authorized under Section 1.111 makes a written request for the
20 notice. The chief appraiser shall separate real from personal
21 property and include in the notice for each property:
22 (1) the appraised value of the property in the
23 preceding year;
24 (2) the appraised value of the property for the
25 current year and the kind of each partial exemption, if any,
26 approved for the current year;
27 (3) a detailed explanation of the time and procedure
for protesting the value; and

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

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

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

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

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

(a) By July 10, the chief appraiser shall prepare and
certify to the assessor for each taxing unit participating in the
district that part of the appraisal roll for the district that lists
the property taxable by the taxing unit. The part certified to the
assessor is the appraisal roll for the taxing unit. The chief
appraiser shall consult with the assessor for each taxing unit and
notify each taxing unit in writing by April 1 of the form in which
the roll will be provided to each taxing unit.

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

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

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

\[
\text{NO-NEW-REVENUE [EFFECTIVE] MAINTENANCE AND OPERATIONS RATE} = \frac{(\text{LAST YEAR'S LEVY} - \text{LAST YEAR'S DEBT LEVY} - \text{LAST YEAR'S JUNIOR COLLEGE LEVY})}{(\text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE})}
\]

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

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

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

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

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

SECTION 28. The heading to Section 26.04, Tax Code, is amended to read as follows:

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

SECTION 29. Section 26.04, Tax Code, is amended by amending Subsections (b), (c), (d), (e), (e-1), (f), (g), (i), and (j) and adding Subsections (c-1), (d-1), (d-2), (d-3), (e-2), (e-3), (e-4), (e-5), (h-1), and (h-2) to read as follows:

(b) The assessor shall submit the appraisal roll for the taxing unit showing the total appraised, assessed, and taxable values of all property and the total taxable value of new property to the governing body of the taxing unit by July 15 [August 1] or as soon thereafter as practicable. By July 15 [August 1] or as soon thereafter as practicable, the taxing unit's collector shall
certify [an estimate of] the anticipated collection rate as calculated under Subsections (h), (h-1), and (h-2) for the current year to the governing body. If the collector certified an anticipated collection rate in the preceding year and the actual collection rate in that year exceeded the anticipated rate, the collector shall also certify the amount of debt taxes collected in excess of the anticipated amount in the preceding year.

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

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

\[
\text{NO-NEW-REVENUE [EFFECTIVE] TAX RATE} = \frac{(\text{LAST YEAR'S LEVY} - \text{LOST PROPERTY LEVY})}{(\text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE})};
\]

and

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

(A) for a small taxing unit:

\[
\text{ROLLBACK TAX RATE} = \frac{(\text{NO-NEW-REVENUE [EFFECTIVE] MAINTENANCE AND OPERATIONS RATE})}{1.08} + \text{CURRENT DEBT RATE}
\]
(B) for a taxing unit other than a small taxing unit:

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

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

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

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

(d) The no-new-revenue [effective] tax rate for a county is the sum of the no-new-revenue [effective] tax rates calculated for each type of tax the county levies and the rollback tax rate for a county is the sum of the rollback tax rates calculated for each type of tax the county levies.
The designated officer or employee shall use the tax rate calculation forms prescribed by the comptroller under Section 5.07 in calculating the no-new-revenue tax rate and the rollback tax rate.

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

As soon as practicable after the designated officer or employee calculates the no-new-revenue tax rate and the rollback tax rate of the taxing unit, the designated officer or employee shall submit the tax rate calculation forms used in calculating the rates to the county assessor-collector for each county in which all or part of the territory of the taxing unit is located.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(1) the following statement:

"PROPOSED (tax year) PROPERTY TAX BILL INFORMATION

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

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

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

(3) the address and telephone number of the county
The heading of the statement described by Subsection (e-2)(1) must be in bold, capital letters in type larger than that used in the other provisions of the notice.

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

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

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

(g) A person who owns taxable property is entitled to an injunction prohibiting the taxing unit in which the property is taxable from adopting a tax rate if the assessor or designated officer or employee of the taxing unit, the tax notice officer of the applicable appraisal district, or the taxing unit, as applicable, has not complied with the computation, publication, or posting requirements of this section or Sections 26.16, 26.17, or 26.18 [and the failure to comply was not in good faith]. It is a defense in an action for an injunction under this subsection that the failure to comply was in good faith.
(h-1) Notwithstanding Subsection (h), if the anticipated collection rate of a taxing unit as calculated under that subsection is lower than the lowest actual collection rate of the taxing unit for any of the preceding three years, the anticipated collection rate of the taxing unit for purposes of this section is equal to the lowest actual collection rate of the taxing unit for any of the preceding three years.

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

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

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

SECTION 30. Section 26.041, Tax Code, is amended by
amending Subsections (a), (b), (c), (e), (g), and (h) and adding
Subsection (c-1) to read as follows:

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

\[
\text{NO-NEW-REVENUE [EFFECTIVE] TAX RATE} = \left(\frac{\text{LAST YEAR'S LEVY} - \text{LOST PROPERTY LEVY}}{\text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE}}\right) - \text{SALES TAX GAIN RATE}
\]

and

\[
\text{ROLLBACK TAX RATE FOR SMALL TAXING UNIT} = \left(\text{NO-NEW-REVENUE [EFFECTIVE] MAINTENANCE AND OPERATIONS RATE} \times 1.08\right) + \text{CURRENT DEBT RATE} - \text{SALES TAX}
\]
GAIN RATE

or

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

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

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

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

or

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

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

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

\[
\text{NO-NEW-REVENUE [EFFECTIVE] TAX RATE} = \frac{\text{LAST YEAR'S LEVY} - \text{LOST PROPERTY LEVY}}{\text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE}} + \text{SALES TAX LOSS RATE}
\]

\[
\text{ROLLBACK TAX RATE FOR SMALL TAXING UNIT} = \frac{\text{LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE} \times 1.08}{\text{[TOTAL CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE}]} + \text{CURRENT DEBT RATE}
\]

\[
\text{ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SMALL TAXING UNIT} = \frac{\text{LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE} \times 1.025}{\text{[CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE}]} + \text{CURRENT DEBT RATE}
\]

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

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

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

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

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

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

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

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

Sec. 26.043. ROLLBACK AND NO-NEW-REVENUE TAX RATES IN CITY IMPOSING MASS TRANSIT SALES AND USE TAX.

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

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

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

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

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

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

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

\[
\frac{\text{State Criminal Justice Mandate}}{\text{Current Total Value} - \text{New Property Value}}
\]

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

\[
\frac{\text{This Year's State Criminal Justice Mandate} - \text{Previous Year's State Criminal Justice Mandate}}{\text{Current Total Value} - \text{New Property Value}}
\]

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

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

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

\[
\text{Amount of Increase} = \text{Enhanced Indigent Health Care}
\]
(b) In each subsequent tax year, if the taxing unit's enhanced indigent health care expenses exceed the amount of those expenses for the preceding year, the no-new-revenue maintenance and operations rate for the taxing unit is increased by the rate computed according to the following formula:

\[
\text{Amount of Increase} = \frac{\text{Current Tax Year's Enhanced Indigent Health Care Expenditures} - \text{Preceding Tax Year's Indigent Health Care Expenditures}}{\text{Current Total Value} - \text{New Property Value}}
\]

(c) The taxing unit shall include a notice of the increase in its no-new-revenue maintenance and operations rate provided by this section, including a brief description and the amount of the enhanced indigent health care expenditures, in the information published under Section 26.04(e) and, if applicable, Section 26.06(b).
except that the governing body must adopt a tax rate that exceeds
the rollback tax rate before August 15. The tax rate consists of
two components, each of which must be approved separately. The
components are:

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

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

(b) A taxing unit may not impose property taxes in any year
until the governing body has adopted a tax rate for that year, and
the annual tax rate must be set by ordinance, resolution, or order,
depending on the method prescribed by law for adoption of a law by
the governing body. The vote on the ordinance, resolution, or order
setting the tax rate must be separate from the vote adopting the
budget. For a taxing unit other than a school district, the vote on
the ordinance, resolution, or order setting a tax rate that exceeds
the no-new-revenue [effective] tax rate must be a record vote, and
at least 60 percent of the members of the governing body must vote
in favor of the ordinance, resolution, or order. For a school
district, the vote on the ordinance, resolution, or order setting a
tax rate that exceeds the sum of the no-new-revenue [effective]
maintenance and operations tax rate of the district as determined

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under Section 26.08(i) and the district's current debt rate must be a record vote, and at least 60 percent of the members of the governing body must vote in favor of the ordinance, resolution, or order. A motion to adopt an ordinance, resolution, or order setting a tax rate that exceeds the no-new-revenue [effective] tax rate must be made in the following form: "I move that the property tax rate be increased by the adoption of a tax rate of (specify tax rate), which is effectively a (insert percentage by which the proposed tax rate exceeds the no-new-revenue [effective] tax rate) percent increase in the tax rate." If the ordinance, resolution, or order sets a tax rate that, if applied to the total taxable value, will impose an amount of taxes to fund maintenance and operation expenditures of the taxing unit that exceeds the amount of taxes imposed for that purpose in the preceding year, the taxing unit must:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"NOTICE OF PUBLIC HEARING ON TAX INCREASE

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

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

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

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

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

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

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

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

(b-1) If the proposed tax rate exceeds the no-new-revenue tax rate and the rollback tax rate of the taxing unit, the 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

"ROLLBACK 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 rollback 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).

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

"The proposed tax rate is also greater than the rollback 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 rollback 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 hours).

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

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

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

(b-2) If the proposed tax rate exceeds the no-new-revenue tax rate but does not exceed the rollback tax rate of the taxing
unit, the 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
"ROLLBACK 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 rollback 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).

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

"The proposed tax rate is not greater than the rollback tax rate. As a result, (name of taxing unit) is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the (name of governing body) of (name of taxing unit) at their offices or by attending one of the public hearings mentioned above.
"Your taxes owed under any of the tax rates mentioned above can be calculated as follows:

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

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

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

"NOTICE OF PUBLIC HEARING ON TAX RATE

"PROPOSED TAX RATE $________ per $100

"NO-NEW-REVENUE TAX RATE $________ per $100

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

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

The proposed tax rate is greater than the rollback 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 rollback 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 hours).

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

\[
\text{Property tax amount} = \text{tax rate} \times \text{taxable value of your property} / 100
\]

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

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

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

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

"NOTICE OF TAX REVENUE INCREASE

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

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

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

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

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

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

(e) The meeting to vote on the tax increase may not be earlier than the third day or later than the seventh [14th] day after the date of the second public hearing. The meeting must be held inside the boundaries of the taxing unit in a publicly owned building or, if a suitable publicly owned building is not available, in a suitable building to which the public normally has access. If the governing body does not adopt a tax rate that exceeds the lower of the rollback tax rate or the no-new-revenue [effective] tax rate by the seventh [14th] day, it must give a new notice under Subsection (d) before it may adopt a rate that exceeds the lower of the rollback tax rate or the no-new-revenue [effective] tax rate.
SECTION 39. Chapter 26, Tax Code, is amended by adding Sections 26.061 and 26.062 to read as follows:

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

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

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

"NOTICE OF MEETING TO VOTE ON TAX RATE

"PROPOSED TAX RATE $________ per $100
"NO-NEW-REVENUE TAX RATE $________ per $100
"ROLLBACK 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 rollback 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 not greater than the no-new-revenue tax rate. This means that (name of taxing unit) is not proposing to increase property taxes for the (current tax year) tax year.

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

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

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

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

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

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

(1) a statement in the following form:

"The following table compares the taxes imposed on the average residence homestead by (name of taxing unit) last year to the taxes proposed to be imposed on the average residence homestead by (name of taxing unit) this year:";
(2) a table in the form required by this section following the statement described by Subdivision (1); and

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

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

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

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

(c) The first row must appear as follows:

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

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

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

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

(d) The second row must appear as follows:

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

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

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

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

(e) The third row must appear as follows:

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

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

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

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

(f) The fourth row must appear as follows:

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

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

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

(4) the fourth column of the fourth row must state the
nominal and percentage difference between the amount of taxes
imposed by the taxing unit in the preceding tax year on a residence
homestead with a taxable value equal to the average taxable value of
a residence homestead in the taxing unit in the preceding tax year
and the amount of taxes that would be imposed by the taxing unit in
the current tax year on a residence homestead with a taxable value
equal to the average taxable value of a residence homestead in the
taxing unit in the current tax year if the taxing unit adopted the
proposed tax rate, as follows: "(increase or decrease, as
applicable) of (nominal difference between amount stated in second
column of fourth row and amount stated in third column of fourth row), or (percentage difference between amount stated in second column of fourth row and amount stated in third column of fourth row)\%".

(g) The fifth row must appear as follows:
(1) the first column of the fifth row must be entitled "Total tax levy on all properties";
(2) the second column of the fifth row must state the amount equal to last year's levy;
(3) the third column of the fifth row must state the amount computed by multiplying the proposed tax rate by the current total value and dividing the product by 100; and
(4) the fourth column of the fifth row must state the nominal and percentage difference between the total amount of taxes imposed by the taxing unit in the preceding tax year and the amount that would be imposed by the taxing unit in the current tax year if the taxing unit adopted the proposed tax rate, as follows: "(increase or decrease, as applicable) of (nominal difference between amount stated in second column of fifth row and amount stated in third column of fifth row), or (percentage difference between amount stated in second column of fifth row and amount stated in third column of fifth row)\%".

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

[(A)] the sum of the following:

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

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

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

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

[(B)] the sum of the following:

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

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

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

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

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

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

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

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

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

(2) the maintenance and operations rate;

(3) the debt rate;

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

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

(6) the rollback tax rate.

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

This subsection expires January 1, 2026.

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

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

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

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

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

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

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

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

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

(1) the tax rate calculation forms used by the 
designated officer or employee of each taxing unit to calculate the
(d-2) The name and official contact information for each member of the governing body of the taxing unit.

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

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

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

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

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

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

(4) is accessible to the public; and

(5) is searchable by property address and owner.
The database must be capable of generating, with respect to each property listed on the appraisal roll for the appraisal district, a real-time tax notice that includes:

1. The property's identification number;
2. The property's market value;
3. The property's taxable value;
4. The name of each taxing unit in which the property is located;
5. For each taxing unit other than a school district in which the property is located:
   (A) The no-new-revenue tax rate; and
   (B) The rollback tax rate;
6. For each school district in which the property is located:
   (A) The rate to maintain the same amount of state and local revenue per weighted student that the district received in the school year beginning in the preceding tax year; and
   (B) The rollback tax rate;
7. The tax rate proposed by the governing body of each taxing unit in which the property is located;
8. For each taxing unit other than a school district in which the property is located, the taxes that would be imposed on the property if the taxing unit adopted a tax rate equal to:
   (A) The no-new-revenue tax rate; and
   (B) The proposed tax rate;
9. For each school district in which the property is located, the taxes that would be imposed on the property if the
district adopted a tax rate equal to:

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

(B) the proposed tax rate;

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

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

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

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

and

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

(c) The address of the Internet website at which the information contained in the database may be found must be in the form "(insert name of county in which appraisal district is
(d) The database must provide a link to the Internet website used by each taxing unit in which the property is located to post the information described by Section 26.18. The link must be preceded by the following statement:

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

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

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

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

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

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

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

(f) The officer or employee designated by the governing body of each taxing unit to calculate the no-new-revenue tax rate and the
rollback tax rate for the taxing unit must electronically:

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

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

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

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

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

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

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

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

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

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

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

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

(A) the preceding two years; and

(B) the current year;

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

(A) the preceding two years; and

(B) the current year;

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

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

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

(12) the tax rate for maintenance and operations
proposed by the taxing unit for the current year;
(13) in the case of a taxing unit other than a school district, the tax rate for debt service proposed by the taxing unit for the current year;
(14) in the case of a school district, the interest and sinking fund tax rate proposed by the district for the current year; and
(15) the most recent financial audit of the taxing unit.

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

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

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

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

(2) if the refund is required by Section 26.08(d-2) [26.07(g)], on the date the subsequent tax rate is adopted [results of the election to reduce the tax rate are certified];
(3) if the refund is required by Section 26.15(f):
   (A) for a correction to the tax roll made under Section 26.15(b), on the date the change in the tax roll is certified to the assessor for the taxing unit under Section 25.25; or
   (B) for a correction to the tax roll made under Section 26.15(c), on the date the change in the tax roll is ordered by the governing body of the taxing unit;
(4) if the refund is required by Section 31.11, on the date the auditor for the taxing unit determines that the payment was erroneous or excessive or, if the amount of the refund exceeds the applicable amount specified by Section 31.11(a), on the date the governing body of the taxing unit approves the refund;
(5) if the refund is required by Section 31.111, on the date the collector for the taxing unit determines that the payment was erroneous; or
(6) if the refund is required by Section 31.112, on the date required by Section 31.112(d) or (e), as applicable.

SECTION 47. Section 33.08(b), Tax Code, is amended to read as follows:
(b) The governing body of the taxing unit or appraisal district, in the manner required by law for official action, may provide that taxes that become delinquent on or after June 1 under Section 26.08(d-1) [26.07(f)], 26.15(e), 31.03, 31.031, 31.032, 31.04, or 42.42 incur an additional penalty to defray costs of collection. The amount of the penalty may not exceed the amount of the compensation specified in the applicable contract with an
attorney under Section 6.30 to be paid in connection with the
collection of the delinquent taxes.

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

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

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

(2) an exclusion of property from the appraisal
records;

(3) a grant in whole or in part of a partial
exemption;

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

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

(a) By July 5, the appraisal review board shall:

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

(2) determine all timely filed challenges;

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

(4) approve the records.

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

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

SECTION 51. Section 41.45, Tax Code, is amended by amending Subsection (d) and adding Subsections (d-1), (d-2), and (d-3) to read as follows:

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

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

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

(d-3) The board must deliver notice of a hearing or meeting to determine a protest heard by a panel, or to rehear a protest, under Subsection (d) or (d-1) in accordance with the provisions of this subchapter.
SECTION 52. Section 41.46(a), Tax Code, is amended to read as follows:

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

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

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

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

(2) inform the property owner that the owner or the agent of the owner is entitled on request to a copy of the data, schedules, formulas, and all other information the chief appraiser will introduce at the hearing to establish any matter at issue; and

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

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

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

(2) the total charge for copies provided in connection with a protest of the appraisal of a single unit of property subject to appraisal, other than residential property, may not exceed $25.

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

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

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

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

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

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

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

(e) The notice of the issuance of the order must contain a prominently printed statement in upper-case bold lettering informing the property owner in clear and concise language of the property owner’s right to appeal the order of the board [board’s decision] to district court. The statement must describe the deadline prescribed by Section 42.06(a) [of this code] for filing a written notice of appeal[7] and the deadline prescribed by Section 42.21(a) [of this code] for filing the petition for review with the
district court.

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) The board may not schedule:

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

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

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

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

(1) meet the following requirements, as applicable:

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

(B) have:

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

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

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

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

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

(2) complete the course for training and education of appraisal review board members established under Section 5.041 and be issued a certificate indicating course completion;
(3) complete the training program on property tax law for the training and education of arbitrators established under Section 5.043; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(h) A property owner may request that, in appointing an initial arbitrator under this section, the comptroller appoint an arbitrator who resides in the county in which the property that is the subject of the appeal is located or an arbitrator who resides outside that county. In appointing an initial arbitrator under Subsection (a), the comptroller shall comply with the request of the property owner unless the property owner requests that the comptroller appoint an arbitrator who resides in the county in which the property that is the subject of the appeal is located and there is not an available arbitrator who resides in that county. In appointing a substitute arbitrator under Subsection (d), the comptroller shall consider but is not required to comply with the request of the property owner. This subsection does not authorize a property owner to request the appointment of a specific individual
as an arbitrator.

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

(b) An award under this section:

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) If the proposition is not approved as provided by Subsection (d) [46.04], the board may not adopt a tax rate for the district for the specified tax year that exceeds the rate that was not approved, and Section 26.08 [26.07], Tax Code, applies to the adopted rate if that rate exceeds the district's rollback tax rate.

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

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

(1) one of the following statements in 18-point or larger type that accurately describes the adopted budget:
This budget will raise more revenue from property taxes than last year's budget by an amount of (insert total dollar amount of increase), which is a (insert percentage increase) percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll).";

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

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

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

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

(A) the property tax rate;

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

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

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of municipal debt obligations.

SECTION 67. Section 111.008(d), Local Government Code, is amended to read as follows:

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

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

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

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

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

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

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

(A) the property tax rate;

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

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

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of county debt obligations.

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

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

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

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

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

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

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

(A) the property tax rate;

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

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

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of county debt obligations.

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

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

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

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

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

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

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

(3) the county property tax rates for the preceding fiscal year, and each county property tax rate that has been adopted or calculated for the current fiscal year, including:
(A) the property tax rate;
(B) the no-new-revenue [effective] tax rate;
(C) the no-new-revenue [effective] maintenance and operations tax rate;
(D) the rollback tax rate; and
(E) the debt rate; and
(4) the total amount of county debt obligations.

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

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

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

Sec. 1122.2522. ROLLBACK TAX RATE PROVISIONS APPLICABLE.

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

[(b) To the extent a conflict exists between this section and a provision of the Tax Code, the provision of the Tax Code}
Sec. 3828.157. INAPPLICABILITY OF CERTAIN TAX CODE PROVISIONS. Sections 26.04, 26.05, and 26.08 [26.07], Tax Code, do not apply to a tax imposed under Section 3828.153 or 3828.156.

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

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

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

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

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

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

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

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

The notice must:

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

"NOTICE OF PUBLIC HEARING ON TAX RATE

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

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

(2) contain the following information:

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

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

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

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

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

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

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

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

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

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

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

(1) the current year's debt service tax rate;
(2) the current year's contract tax rate; and
(3) the operation and maintenance tax rate that would impose 1.08 times the amount of the operation and maintenance tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older.

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

(f) The district may provide that payments required by any of the district's contracts, agreements, or leases may be payable from the sale of notes, taxes, or bonds, or any combination of notes, taxes, or bonds, or may be secured by a lien on or a pledge of any available funds, including proceeds of the district's maintenance tax, and may be payable subject to annual appropriation by the district. The district may pledge to impose and may impose a maintenance tax in an amount sufficient to comply with the district's obligations under the district's contracts, leases, and agreements at a maximum aggregate rate not to exceed 10 cents for each $100 valuation of taxable property in the district. Sections 26.012, 26.04, 26.05, and 26.08, Tax Code, do not apply to maintenance taxes levied and collected for payments under a contract, agreement, lease, time warrant, or maintenance note issued or executed under this section.
SECTION 76. The following provisions are repealed:

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

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

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

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

SECTION 80. (a) The comptroller of public accounts shall comply with Sections 5.07(f), (g), (h), and (i), Tax Code, as added by this Act, as soon as practicable after January 1, 2020.
(b) The comptroller of public accounts shall comply with Section 5.091, Tax Code, as amended by this Act, not later than January 1, 2021.
SECTION 81. The comptroller of public accounts shall prepare and make available the survey form and instructions for completing and submitting the form required by Section 5.104, Tax Code, as added by this Act, as soon as practicable after January 1, 2020. An appraisal district is not required to provide the survey form or instructions under a requirement of that section until the form and instructions are prepared and made available by the comptroller of public accounts.

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

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

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

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

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

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

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

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

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

(b) This section takes effect immediately if this Act
receives a vote of two-thirds of all the members elected to each
house, as provided by Section 39, Article III, Texas Constitution.
If this Act does not receive the vote necessary for immediate
effect, this section takes effect on the 91st day after the last day
of the legislative session.
SECTION 88. A taxing unit that does not own, operate, or control an Internet website is not required to comply with Sections 26.05(b)(2) and 26.065(b), Tax Code, as amended by this Act, until the first tax year in which the taxing unit is required by law to maintain or have access to an Internet website.

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

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

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

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

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

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

SECTION 95. The changes in law made by this Act in the
qualifications of persons serving as arbitrators in binding
arbitrations of appeals of appraisal review board orders do not
affect the entitlement of a person serving as an arbitrator
immediately before January 1, 2020, to continue to serve as an
arbitrator and to conduct hearings on arbitrations until the person
is required to renew the person's agreement with the comptroller of
public accounts to serve as an arbitrator. The changes in law apply
only to a person who initially qualifies to serve as an arbitrator
or who renews the person's agreement with the comptroller of public
accounts to serve as an arbitrator on or after January 1, 2020.
This Act does not prohibit a person who is serving as an arbitrator
on January 1, 2020, from renewing the person's agreement with the comptroller of public accounts to serve as an arbitrator if the person has the qualifications required for an arbitrator under the Tax Code as amended by this Act.

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

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

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

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

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

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

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

(2) Sections 6.41(b-1), (b-2), and (d-10), Tax Code, as added by this Act;
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(3) Section 6.414(d), Tax Code, as amended by this Act;

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

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

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

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

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

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

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

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

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

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

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

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

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