

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 8, 2019

TO: Honorable Paul Bettencourt, Chair, Senate Committee on Property Tax

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: SB1227 by Bettencourt (Relating to the date for ordering or holding an election to ratify the ad valorem tax rate of a school district; making conforming changes.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Section 26 of the Tax Code, regarding property tax assessment, to provide that by July 10 (rather than July 25), the chief appraiser shall prepare and certify to the assessor for each taxing unit participating in the appraisal district that part of the appraisal roll for the district that lists the property taxable by the taxing unit. Except as otherwise provided, not later than May 15, (rather than April 30), the chief appraiser would be required to prepare and certify to each county, city, and school district an estimate of the taxable value of property in that taxing unit.

The assessor would be required to submit that 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 (rather than August 1) or as soon thereafter as practicable. By July 15 (rather than August 1) or as soon thereafter as practicable, the taxing unit's collector shall certify the anticipated collection rate for the current year to the governing body.

By July 22 (rather than August 7) or as soon thereafter as practicable, the designated officer or employee would be required to submit the collection rates to the governing body. By July 27, the designated officer or employee would be required to deliver by mail to each property owner or publish in a newspaper certain tax rates and other information.

The governing body of each taxing unit would be required to adopt a tax rate before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the taxing unit, except that the governing body must adopt a tax rate that exceeds the rollback tax rate before August 15. The bill would provide that, except for an emergency election, a tax ratification election must be held on the uniform election date that occurs in November of the applicable tax year and the order calling the election may not be issued later than August 15.

The bill would amend Section 41.12 of the Tax Code, regarding approval of appraisal records by the appraisal review board, to require an appraisal review board to hear and determine all, or substantially all, timely filed protests, and take other specified actions by July 5 (rather than July 20).

The Comptroller would be required to mail a written notice to each appraisal district and each

assessor of any change made by this bill to the deadline for complying with a requirement, duty, or function of an appraisal district or taxing unit. The Comptroller would be required to mail this notice not later than the 30th day after the effective date of this provision, which would take effect immediately upon enactment, assuming it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect on the 91st day following the end of the 86th Legislative Session.

The bill would not affect taxable property values, tax rates, collection rates, or any other variable that might affect the revenues of units of local governments or the state.

The bill would take effect January 1, 2020, except as otherwise provided.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: WP, KK, SD, SJS