BILL ANALYSIS

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law requires that the Comptroller of Public Accounts of the State of Texas prescribe tax rate calculation forms to be used by the designated officer of taxing units for purposes of calculating a no-new-revenue tax rate and voter-approval tax rate, as required under Chapter 26, Tax Code.

S.B. 1998 seeks to require that each line item entry on the tax rate calculation forms include a hyperlink to a document that evidences the accuracy of the entry. The inclusion of this information will allow taxpayers to more easily verify the accuracy of the tax rate calculation forms.

As proposed, S.B. 1998 amends current law relating to the calculation of certain ad valorem tax rates.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 5.07(g), Tax Code, as follows:

(g) Requires that the forms described by Subsection (f) (relating to requiring the Comptroller of Public Accounts of the State of Texas (comptroller) to prescribe tax rate calculation forms to be used by the designated officer or employee of certain entities) be in an electronic format and:

(1) makes no changes to this subdivision;

(2)-(3) makes nonsubstantive changes to these subdivisions; and

(4) be being capable of including for each entry, other than an entry making a mathematical calculation, a hyperlink to a document that evidences the accuracy of the entry.

SECTION 2. Amends Section 26.03, Tax Code, by adding Subsection (e), as follows:

(e) Requires that the adjustments to the value of property taxable by the unit and to the amount of taxes imposed or collected by the unit prescribed by Section 26.03 (Treatment of Captured Appraised Value and Tax Increment), for a taxing unit in which a tax rate calculation for a tax year is affected by the application of this section, be calculated separately for each reinvestment zone in which the taxing unit participates. Requires the comptroller to ensure that the tax rate calculation forms prescribed under Section 5.07 (Property Tax Forms and Records Systems) provide for the calculations to be made in the manner required by this subsection.

SECTION 3. Amends Section 26.04(d-1), Tax Code, to require the designated officer or employee to include a hyperlink described by Section 5.07(g)(4) for each entry on the tax rate calculation form, other than an entry making a mathematical calculation.

SECTION 4. Makes application of this Act prospective.

SECTION 5. Effective date: January 1, 2024.