

By: Harris of Anderson

H.B. No. 4456

A BILL TO BE ENTITLED

AN ACT

relating to the calculation of the no-new-revenue maintenance and operations rate for school districts.

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

SECTION 1. Section 5.07(f), Tax Code is amended 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 voter-approval tax rate for the taxing unit as required by Chapter 26[, and

~~(2) school district to:~~

~~(A) calculate and submit the no-new-revenue tax rate and the voter-approval tax rate for the district as required by Chapter 26, and~~

~~(B) submit 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].~~

SECTION 2. Section 26.012(18), Tax Code, is amended to read as follows:

(18) "No-new-revenue maintenance and operations rate" means:

1 (A) for a taxing unit other a school district, a
2 rate expressed in dollars per \$100 of taxable value and calculated
3 according to the following formula:

4 NO-NEW-REVENUE MAINTENANCE AND OPERATIONS RATE = (LAST
5 YEAR'S LEVY - LAST YEAR'S DEBT LEVY - LAST YEAR'S JUNIOR COLLEGE
6 LEVY) / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE); and

7 (B) for a school district, a rate expressed in
8 dollars per \$100 of taxable value and calculated in accordance with
9 Section 44.004(c)(5)(A)(ii)(a), Education Code.

10 SECTION 3. Section 26.05(b), Tax Code, is amended to read as
11 follows:

12 (b) A taxing unit may not impose property taxes in any year
13 until the governing body has adopted a tax rate for that year, and
14 the annual tax rate must be set by ordinance, resolution, or order,
15 depending on the method prescribed by law for adoption of a law by
16 the governing body. The vote on the ordinance, resolution, or order
17 setting the tax rate must be separate from the vote adopting the
18 budget. For a taxing unit other than a school district, the vote on
19 the ordinance, resolution, or order setting a tax rate that exceeds
20 the no-new-revenue tax rate must be a record vote, and at least 60
21 percent of the members of the governing body must vote in favor of
22 the ordinance, resolution, or order. For a school district, the
23 vote on the ordinance, resolution, or order setting a tax rate that
24 exceeds the sum of the no-new-revenue maintenance and operations
25 tax rate of the district [~~as determined under Section 26.08(i)~~] and
26 the district's current debt rate must be a record vote, and at least
27 60 percent of the members of the governing body must vote in favor

1 of the ordinance, resolution, or order. A motion to adopt an
2 ordinance, resolution, or order setting a tax rate that exceeds the
3 no-new-revenue tax rate must be made in the following form: "I move
4 that the property tax rate be increased by the adoption of a tax
5 rate of (specify tax rate), which is effectively a (insert
6 percentage by which the proposed tax rate exceeds the
7 no-new-revenue tax rate) percent increase in the tax rate." If the
8 ordinance, resolution, or order sets a tax rate that, if applied to
9 the total taxable value, will impose an amount of taxes to fund
10 maintenance and operation expenditures of the taxing unit that
11 exceeds the amount of taxes imposed for that purpose in the
12 preceding year, the taxing unit must:

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

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

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

24 (2) include on the home page of the Internet website of
25 the taxing unit:

26 (A) the following statement: "(Insert name of
27 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 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 MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$(Insert amount)."

SECTION 4. Section 26.17(b), Tax Code, is amended to read as follows:

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

(1) the property's identification number;
(2) the property's market value;
(3) the property's taxable value;
(4) the name of each taxing unit in which the property is located;

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

(A) the no-new-revenue tax rate; and
(B) the voter-approval tax rate;
(6) for each school district in which the property is located:

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

(B) the voter-approval tax rate;

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

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

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

7 (B) the proposed tax rate;

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

11 (A) the tax rate that would maintain the same
12 amount of state and local revenue per ~~[weighted]~~ student that the
13 district received in the school year beginning in the preceding tax
14 year; and

15 (B) the proposed tax rate;

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

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

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

27 (13) the date, time, and location of the public

1 meeting, if applicable, at which the tax rate will be adopted to be
2 held by the governing body of each taxing unit in which the property
3 is located; and

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

8 SECTION 5. This Act takes effect January 1, 2024.