

By: Tepper

H.B. No. 416

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the deadlines for performing various functions in
3 connection with the ad valorem tax system.

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

5 SECTION 1. Sections 26.01(a) and (a-1), Tax Code, are
6 amended to read as follows:

7 (a) By August [~~July~~] 25, the chief appraiser shall prepare
8 and certify to the assessor for each taxing unit participating in
9 the district that part of the appraisal roll for the district that
10 lists the property taxable by the taxing unit. The part certified
11 to the assessor is the appraisal roll for the taxing unit. The
12 chief appraiser shall consult with the assessor for each taxing
13 unit and notify each taxing unit in writing by April 1 of the form in
14 which the roll will be provided to each taxing unit.

15 (a-1) If by August [~~July~~] 20 the appraisal review board for
16 an appraisal district has not approved the appraisal records for
17 the district as required under Section 41.12, the chief appraiser
18 shall not later than August [~~July~~] 25 prepare and certify to the
19 assessor for each taxing unit participating in the district an
20 estimate of the taxable value of property in that taxing unit.

21 SECTION 2. Sections 26.04(b), (e), and (e-6), Tax Code, are
22 amended to read as follows:

23 (b) The assessor shall submit the appraisal roll for the
24 taxing unit showing the total appraised, assessed, and taxable

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

12 (e) By September [~~August~~] 7 or as soon thereafter as
13 practicable, the designated officer or employee shall submit the
14 rates to the governing body. The designated officer or employee
15 shall post prominently on the home page of the taxing unit's
16 Internet website in the form prescribed by the comptroller:

17 (1) the no-new-revenue tax rate, the voter-approval
18 tax rate, and an explanation of how they were calculated;

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

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

26 (A) the amount of principal and interest that
27 will be paid to service the taxing unit's debts in the next year

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

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

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

15 (e-6) By September [~~August~~] 7 or as soon thereafter as
16 practicable, the chief appraiser of each appraisal district shall
17 publish in a newspaper of general circulation in the county for
18 which the appraisal district is established the notice required by
19 Subsection (e-2). If there is no newspaper of general circulation
20 in the county for which the appraisal district is established, the
21 notice shall be posted at the appraisal office for the district.

22 SECTION 3. Section 26.05(a), Tax Code, is amended to read as
23 follows:

24 (a) The governing body of each taxing unit shall adopt a tax
25 rate for the current tax year and shall notify the assessor for the
26 taxing unit of the rate adopted. The governing body must adopt a
27 tax rate before the later of September 30 or the 30th [~~60th~~] day

1 after the date the certified appraisal roll is received by the
2 taxing unit, except that the governing body must adopt a tax rate
3 that exceeds the voter-approval tax rate not later than the 71st day
4 before the next uniform election date prescribed by Section 41.001,
5 Election Code, that occurs in November of that year. The tax rate
6 consists of two components, each of which must be approved
7 separately. The components are:

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

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

17 SECTION 4. Section 26.16(d-2), Tax Code, is amended to read
18 as follows:

19 (d-2) By September [~~August~~] 7 or as soon thereafter as
20 practicable, the county assessor-collector shall post on the
21 website the tax rate calculation forms described by Subsection
22 (d-1)(1) for the current tax year.

23 SECTION 5. Section 31.01(h), Tax Code, is amended to read as
24 follows:

25 (h) An assessor who assesses taxes for more than one taxing
26 unit may prepare and deliver separate bills for the taxes of a
27 taxing unit that does not adopt a tax rate for the year before the

1 30th [~~60th~~] day after the date the chief appraiser certifies the
2 appraisal roll for the taxing unit under Section 26.01 [~~of this~~
3 ~~code~~] or, if the taxing unit participates in more than one appraisal
4 district, before the 30th [~~60th~~] day after the date it receives a
5 certified appraisal roll from any of the appraisal districts in
6 which it participates. If separate tax bills are prepared and
7 delivered under this subsection, the taxing unit or taxing units
8 that failed to adopt the tax rate before the prescribed deadline
9 must pay the additional costs incurred in preparing and mailing the
10 separate bills in addition to any other compensation required or
11 agreed to be paid for the appraisal services rendered.

12 SECTION 6. Sections 41.12(a) and (c), Tax Code, are amended
13 to read as follows:

14 (a) By August [~~July~~] 20, the appraisal review board shall:

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

17 (2) determine all timely filed challenges;

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

20 (4) approve the records.

21 (c) The board of directors of an appraisal district
22 established for a county with a population of at least one million
23 by resolution may:

24 (1) postpone the deadline established by Subsection
25 (a) for the performance of the functions listed in that subsection
26 to a date not later than September 15 [~~August 30~~]; or

27 (2) provide that the appraisal review board may

1 approve the appraisal records if the sum of the appraised values, as
2 determined by the chief appraiser, of all properties on which a
3 protest has been filed but not determined does not exceed 10 percent
4 of the total appraised value of all other taxable properties.

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

7 (a) Except as provided by Subsections (b), (c), (c-1), and
8 (c-2), to be entitled to a hearing and determination of a protest,
9 the property owner initiating the protest must file a written
10 notice of the protest with the appraisal review board having
11 authority to hear the matter protested:

12 (1) not later than May 15 or the 60th [~~30th~~] day after
13 the date that notice to the property owner was delivered to the
14 property owner as provided by Section 25.19, whichever is later;

15 (2) in the case of a protest of a change in the
16 appraisal records ordered as provided by Subchapter A of this
17 chapter or by Chapter 25, not later than the 30th day after the date
18 notice of the change is delivered to the property owner;

19 (3) in the case of a determination that a change in the
20 use of land appraised under Subchapter C, D, E, or H, Chapter 23,
21 has occurred, not later than the 30th day after the date the notice
22 of the determination is delivered to the property owner;

23 (4) in the case of a determination of eligibility for a
24 refund under Section 23.1243, not later than the 30th day after the
25 date the notice of the determination is delivered to the property
26 owner; or

27 (5) in the case of a protest of the modification or

1 denial of an application for an exemption under Section 11.35, or
2 the determination of an appropriate damage assessment rating for an
3 item of qualified property under that section, not later than the
4 30th day after the date the property owner receives the notice
5 required under Section 11.45(e).

6 SECTION 8. Section 41.45(a), Tax Code, is amended to read as
7 follows:

8 (a) On the filing of a notice as required by Section 41.44,
9 the appraisal review board shall schedule a hearing on the protest.
10 The appraisal review board shall schedule the hearing to be held as
11 soon as practicable but not later than the 60th [~~90th~~] day after the
12 date the board approves the appraisal records as provided by
13 Section 41.12. If more than one protest is filed relating to the
14 same property, the appraisal review board shall schedule a single
15 hearing on all timely filed protests relating to the property. A
16 hearing for a property that is owned in undivided or fractional
17 interests, including separate interests in a mineral in place,
18 shall be scheduled to provide for participation by all owners who
19 have timely filed a protest.

20 SECTION 9. This Act applies only to ad valorem taxes imposed
21 for a tax year beginning on or after the effective date of this Act.

22 SECTION 10. This Act takes effect January 1, 2026.