

By: Burrows

H.B. No. 2

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

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

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

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

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

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

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

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

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

25 (b) A member of the appraisal review board established for  
26 an appraisal district must complete the course established under  
27 Subsection (a). The course must provide at least eight hours of

1 classroom training and education. A member of the appraisal review  
2 board may not participate in a hearing conducted by the board unless  
3 the person has completed the course established under Subsection  
4 (a) and received a certificate of course completion.

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

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

22 (1) the cost, income, and market data comparison  
23 methods of appraising property;

24 (2) the appraisal of business personal property;

25 (3) the determination of capitalization rates for  
26 property appraisal purposes;

27 (4) the duties of an appraisal review board;

1 (5) the requirements regarding the independence of an  
2 appraisal review board from the board of directors and the chief  
3 appraiser and other employees of the appraisal district;

4 (6) the prohibitions against ex parte communications  
5 applicable to appraisal review board members;

6 (7) the Uniform Standards of Professional Appraisal  
7 Practice;

8 (8) the duty of the appraisal district to substantiate  
9 the district's determination of the value of property;

10 (9) the requirements regarding the equal and uniform  
11 appraisal of property;

12 (10) the right of a property owner to protest the  
13 appraisal of the property as provided by Chapter 41; and

14 (11) a detailed explanation of each of the actions  
15 described by Sections 25.25, 41.41(a), 41.411, 41.412, 41.413,  
16 41.42, and 41.43 so that members are fully aware of each of the  
17 grounds on which a property appraisal can be appealed.

18 SECTION 5. Chapter 5, Tax Code, is amended by adding Section  
19 5.043 to read as follows:

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

23 (b) The comptroller shall:

24 (1) approve curricula and provide an arbitration  
25 manual and other materials for use in training and educating  
26 arbitrators;

27 (2) make all materials for use in training and

1 educating arbitrators freely available online; and

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

4 (c) The training program must:

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

7 (2) be at least four hours in length.

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

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

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

1 mediation is required.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 Sec. 5.091. STATEWIDE LIST OF TAX RATES. (a) Each year the  
26 comptroller shall prepare a list that includes the total tax rate  
27 imposed by each taxing unit in this state, as ~~other than a school~~

1 ~~district, if the tax rate is]~~ reported to the comptroller by each  
2 appraisal district, for the year [~~preceding the year~~] in which the  
3 list is prepared. The comptroller shall:

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

7 (2) list the tax rates alphabetically according to:

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

10 (B) the name of each taxing unit [~~in descending~~  
11 ~~order~~].

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

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

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



1 conducting and scoring the review.

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

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

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

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

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

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

23 (2) instructions for completing and submitting the  
24 form.

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

27 (1) a property owner who files a motion under Section

1 25.25 to correct the appraisal roll or a protest under Chapter 41;

2 (2) the designated agent of the property owner; or

3 (3) a designated representative of the appraisal  
4 district in which the motion or protest is filed who attends the  
5 hearing on the motion or protest.

6 (c) The survey form must allow an individual to submit  
7 comments and suggestions regarding:

8 (1) the matters listed in Section 5.103(b); and

9 (2) any other matter related to the fairness and  
10 efficiency of the appraisal review board.

11 (d) An appraisal district must provide the survey form and  
12 the instructions for completing and submitting the form to each  
13 property owner or designated agent of the owner at or before each  
14 hearing conducted under Section 25.25 or Chapter 41 by the  
15 appraisal review board established for the appraisal district or by  
16 a panel of the board.

17 (e) An individual who elects to submit the survey form must  
18 submit the form to the comptroller as provided by this section. An  
19 appraisal district may not accept a survey form submitted under  
20 this section. An individual may submit only one survey form for  
21 each motion or protest.

22 (f) The comptroller shall allow an individual to submit a  
23 survey form to the comptroller in the following manner:

24 (1) in person;

25 (2) by mail;

26 (3) by electronic mail; or

27 (4) through a web page on the comptroller's Internet

1 website that allows the individual to complete and submit the form.

2 (g) An appraisal district may not require a property owner  
3 or the designated agent of the owner to complete a survey form at  
4 the appraisal office in order to be permitted to submit the form to  
5 the comptroller.

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

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

15 (j) The comptroller may adopt rules necessary to implement  
16 this section.

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

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

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

26 (2) the uniformity and level of appraisal of major  
27 kinds of property and the cause of any significant deviations from

1 ideal uniformity and equality of appraisal of major kinds of  
2 property;

3 (3) duplication of effort and efficiency of operation;

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

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

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

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

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

19 (k) The chief appraiser shall establish an office of tax  
20 notices in the appraisal district. The office is responsible for  
21 delivering the notice required by Section 26.04(e-2) and creating  
22 and maintaining the database required by Section 26.17. The office  
23 is administered by the tax notice officer, who is appointed by and  
24 serves at the pleasure of the chief appraiser. The chief appraiser  
25 may designate other personnel to assist the tax notice officer in  
26 performing the functions of the office. In all communications, the  
27 office must identify itself as the "(insert name of county in which

1 appraisal district is established) County Office of Tax Notices"  
2 rather than as the appraisal district.

3 SECTION 14. Section 6.15, Tax Code, is amended by adding  
4 Subsection (c-1) to read as follows:

5 (c-1) Subsections (a) and (b) do not prohibit a member of  
6 the board of directors of an appraisal district from transmitting  
7 to the chief appraiser without comment a complaint by a property  
8 owner or taxing unit about the appraisal of a specific property,  
9 provided that the transmission is in writing.

10 SECTION 15. Section 6.41, Tax Code, is amended by amending  
11 Subsections (b) and (d-9) and adding Subsections (b-1), (b-2), and  
12 (d-10) to read as follows:

13 (b) Except as provided by Subsection (b-1) or (b-2), an  
14 appraisal review [The] board consists of three members.

15 (b-1) An appraisal [However, the] district board of  
16 directors by resolution of a majority of the board's [its] members  
17 may increase the size of the district's appraisal review board to  
18 the number of members the board of directors considers appropriate.

19 (b-2) An appraisal district board of directors for a  
20 district established in a county with a population of one million or  
21 more by resolution of a majority of the board's members shall  
22 increase the size of the district's appraisal review board to the  
23 number of members the board of directors considers appropriate to  
24 manage the duties of the appraisal review board, including the  
25 duties of each special panel established under Section 6.425.

26 (d-9) In selecting individuals who are to serve as members  
27 of the appraisal review board for an appraisal district described

1 by Subsection (b-2), the local administrative district judge shall  
2 select an adequate number of qualified individuals to permit the  
3 chairman of the appraisal review board to fill the positions on each  
4 special panel established under Section 6.425.

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

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

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

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

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

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

27 (B) a suit to collect the delinquent taxes is

1 deferred or abated under Section 33.06 or 33.065; or

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

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

6 or

7 (B) the appraisal review board.

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

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

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

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

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

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

26 (d) An auxiliary board member may hear taxpayer protests  
27 before the appraisal review board. An auxiliary board member may

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

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

12 (a) A majority of the appraisal review board constitutes a  
13 quorum. The local administrative district judge under Subchapter  
14 D, Chapter 74, Government Code, in the county in which [~~board of~~  
15 ~~directors of~~] the appraisal district is established [~~by resolution~~]  
16 shall select a chairman and a secretary from among the members of  
17 the appraisal review board. The judge [~~board of directors of the~~  
18 ~~appraisal district~~] is encouraged to select as chairman [~~of the~~  
19 ~~appraisal review board~~] a member of the appraisal review board, if  
20 any, who has a background in law and property appraisal.

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

27 SECTION 19. Subchapter C, Chapter 6, Tax Code, is amended by



1 adding Section 6.425 to read as follows:

2 Sec. 6.425. SPECIAL APPRAISAL REVIEW BOARD PANELS IN  
3 CERTAIN DISTRICTS. (a) This section applies only to the appraisal  
4 review board for an appraisal district described by Section  
5 6.41(b-2).

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

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

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

13 (A) commercial real and personal property;

14 (B) real and personal property of utilities;

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

17 (D) multifamily residential real property.

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

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

24 (1) hold a juris doctor or equivalent degree;

25 (2) hold a master of business administration degree;

26 (3) be licensed as a certified public accountant under  
27 Chapter 901, Occupations Code;

1           (4) be accredited by the American Society of  
2 Appraisers as an accredited senior appraiser;

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

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

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

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

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

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

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

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

26           SECTION 20. Section 11.4391(a), Tax Code, is amended to  
27 read as follows:

1           (a) The chief appraiser shall accept and approve or deny an  
2 application for an exemption for freeport goods under Section  
3 11.251 after the deadline for filing it has passed if it is filed  
4 not later than June 1 [~~15~~].

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

7           (a) Rendition statements and property reports must be  
8 delivered to the chief appraiser after January 1 and not later than  
9 April 1 [~~15~~], except as provided by Section 22.02.

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

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

17           (b) The market value of property shall be determined by the  
18 application of generally accepted appraisal methods and  
19 techniques, including appraisal methods and techniques prescribed  
20 by appraisal manuals prepared and issued by the comptroller. If the  
21 appraisal district determines the appraised value of a property  
22 using mass appraisal standards, the mass appraisal standards must  
23 comply with the Uniform Standards of Professional Appraisal  
24 Practice. The same or similar appraisal methods and techniques  
25 shall be used in appraising the same or similar kinds of property.  
26 However, each property shall be appraised based upon the individual  
27 characteristics that affect the property's market value, and all

1 available evidence that is specific to the value of the property  
2 shall be taken into account in determining the property's market  
3 value.

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

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

14 (1) the appraised value of the property is greater  
15 than it was in the preceding year;

16 (2) the appraised value of the property is greater  
17 than the value rendered by the property owner;

18 (3) the property was not on the appraisal roll in the  
19 preceding year; or

20 (4) an exemption or partial exemption approved for the  
21 property for the preceding year was canceled or reduced for the  
22 current year.

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

25 (1) a list of the taxing units in which the property is  
26 taxable;

27 (2) the appraised value of the property in the

1 preceding year;

2 (3) the taxable value of the property in the preceding  
3 year for each taxing unit taxing the property;

4 (4) the appraised value of the property for the  
5 current year, the kind and amount of each exemption and partial  
6 exemption, if any, approved for the property for the current year  
7 and for the preceding year, and, if an exemption or partial  
8 exemption that was approved for the preceding year was canceled or  
9 reduced for the current year, the amount of the exemption or partial  
10 exemption canceled or reduced;

11 (5) ~~[if the appraised value is greater than it was in~~  
12 ~~the preceding year, the amount of tax that would be imposed on the~~  
13 ~~property on the basis of the tax rate for the preceding year;~~

14 ~~(6)~~ in italic typeface, the following  
15 statement: "The Texas Legislature does not set the amount of your  
16 local taxes. Your property tax burden is decided by your locally  
17 elected officials, and all inquiries concerning your taxes should  
18 be directed to those officials";

19 (6) ~~(7)~~ a detailed explanation of the time and  
20 procedure for protesting the value;

21 (7) ~~(8)~~ the date and place the appraisal review  
22 board will begin hearing protests; and

23 (8) ~~(9)~~ a brief explanation that the governing body  
24 of each taxing unit decides whether or not taxes on the property  
25 will increase and the appraisal district only determines the value  
26 of the property.

27 (b-3) This subsection applies only to an appraisal district

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 [~~1~~] 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

1 for protesting the value; and

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

4 (i) Delivery with a notice required by Subsection (a) or (g)  
5 of a copy of the pamphlet published by the comptroller under Section  
6 5.06 or a copy of the notice published by the chief appraiser under  
7 Section 41.70 is sufficient to comply with the requirement that the  
8 notice include the information specified by Subsection (b)(6)  
9 [~~(b)(7)~~] or (g)(3), as applicable.

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

12 (a) By May 1 [~~15~~] or as soon thereafter as practicable, the  
13 chief appraiser shall submit the completed appraisal records to the  
14 appraisal review board for review and determination of protests.  
15 However, the chief appraiser may not submit the records until the  
16 chief appraiser has delivered the notices required by Sections  
17 11.45(d) [~~Subsection (d) of Section 11.45~~], 23.44(d) [~~Subsection~~  
18 ~~(d) of Section 23.44~~], 23.57(d) [~~Subsection (d) of Section 23.57~~],  
19 23.79(d) [~~Subsection (d) of Section 23.79~~], 23.85(d) [~~Subsection~~  
20 ~~(d) of Section 23.85~~], 23.95(d) [~~Subsection (d) of Section 23.95~~],  
21 23.9805(d) [~~Subsection (d) of Section 23.9805~~], and [~~Section~~  
22 25.19].

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

25 (a) By July 10 [~~25~~], the chief appraiser shall prepare and  
26 certify to the assessor for each taxing unit participating in the  
27 district that part of the appraisal roll for the district that lists

1 the property taxable by the taxing unit. The part certified to the  
2 assessor is the appraisal roll for the taxing unit. The chief  
3 appraiser shall consult with the assessor for each taxing unit and  
4 notify each taxing unit in writing by April 1 of the form in which  
5 the roll will be provided to each taxing unit.

6 (e) Except as provided by Subsection (f), not later than May  
7 15 [~~April 30~~], the chief appraiser shall prepare and certify to the  
8 assessor for each county, municipality, and school district  
9 participating in the appraisal district an estimate of the taxable  
10 value of property in that taxing unit. The chief appraiser shall  
11 assist each county, municipality, and school district in  
12 determining values of property in that taxing unit for the taxing  
13 unit's budgetary purposes.

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

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

19 NO-NEW-REVENUE [~~EFFECTIVE~~] MAINTENANCE AND OPERATIONS  
20 RATE = (LAST YEAR'S LEVY - LAST YEAR'S DEBT LEVY - LAST  
21 YEAR'S JUNIOR COLLEGE LEVY) / (CURRENT TOTAL VALUE -  
22 NEW PROPERTY VALUE)

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

26 (10) "Excess collections" means the amount, if any, by  
27 which debt taxes collected in the preceding year exceeded the



1 amount anticipated in the preceding year's calculation of the  
2 rollback tax rate, as certified by the collector under Section  
3 26.04(b) [~~of this code~~].

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

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

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

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

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

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

22 (b) The assessor shall submit the appraisal roll for the  
23 taxing unit showing the total appraised, assessed, and taxable  
24 values of all property and the total taxable value of new property  
25 to the governing body of the taxing unit by July 15 [~~August 1~~] or as  
26 soon thereafter as practicable. By July 15 [~~August 1~~] or as soon  
27 thereafter as practicable, the taxing unit's collector shall

1 certify [~~an estimate of~~] the anticipated collection rate as  
 2 calculated under Subsections (h), (h-1), and (h-2) for the current  
 3 year to the governing body. If the collector certified an  
 4 anticipated collection rate in the preceding year and the actual  
 5 collection rate in that year exceeded the anticipated rate, the  
 6 collector shall also certify the amount of debt taxes collected in  
 7 excess of the anticipated amount in the preceding year.

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

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

17 NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE = (LAST YEAR'S  
 18 LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE -  
 19 NEW PROPERTY VALUE)

20 ; and

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

24 (A) for a small taxing unit:

25 ROLLBACK TAX RATE = (NO-NEW-REVENUE [~~EFFECTIVE~~]  
 26 MAINTENANCE AND OPERATIONS RATE x 1.08) + CURRENT DEBT  
 27 RATE

1           ; or

2                           (B) for a taxing unit other than a small taxing  
3 unit:

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

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

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

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

23           (d) The no-new-revenue [~~effective~~] tax rate for a county is  
24 the sum of the no-new-revenue [~~effective~~] tax rates calculated for  
25 each type of tax the county levies and the rollback tax rate for a  
26 county is the sum of the rollback tax rates calculated for each type  
27 of tax the county levies.

1        (d-1) The designated officer or employee shall use the tax  
2 rate calculation forms prescribed by the comptroller under Section  
3 5.07 in calculating the no-new-revenue tax rate and the rollback  
4 tax rate.

5        (d-2) The designated officer or employee may not submit the  
6 no-new-revenue tax rate and the rollback tax rate to the governing  
7 body of the taxing unit and the taxing unit may not adopt a tax rate  
8 until the designated officer or employee certifies on the tax rate  
9 calculation forms that the designated officer or employee has  
10 accurately calculated the tax rates and has used values that are the  
11 same as the values shown in the taxing unit's certified appraisal  
12 roll in performing the calculations.

13        (d-3) As soon as practicable after the designated officer or  
14 employee calculates the no-new-revenue tax rate and the rollback  
15 tax rate of the taxing unit, the designated officer or employee  
16 shall submit the tax rate calculation forms used in calculating the  
17 rates to the county assessor-collector for each county in which all  
18 or part of the territory of the taxing unit is located.

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

27            (1) the no-new-revenue [~~effective~~] tax rate, the

1 rollback tax rate, and an explanation of how they were calculated;

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

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

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

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

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

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

27 (5) a statement that the adoption of a tax rate equal

1 to the no-new-revenue [~~effective~~] tax rate would result in an  
2 increase or decrease, as applicable, in the amount of taxes imposed  
3 by the taxing unit as compared to last year's levy, and the amount  
4 of the increase or decrease;

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

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

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

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

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

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

27 (B) the amount published by the taxing unit in

1 the preceding tax year under Subdivision (6)(B).

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

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

13 (1) the following statement:

14 "PROPOSED (tax year) PROPERTY TAX BILL INFORMATION

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

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

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

27 (3) the address and telephone number of the county

1 assessor-collector.

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

5 (e-4) The comptroller may adopt rules regarding the format  
6 and delivery of the notice required by Subsection (e-2).

7 (e-5) The governing body of a taxing unit shall include as  
8 an appendix to the taxing unit's budget for a fiscal year the tax  
9 rate calculation forms used by the designated officer or employee  
10 of the taxing unit to calculate the no-new-revenue tax rate and the  
11 rollback tax rate of the taxing unit for the tax year in which the  
12 fiscal year begins.

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

18 (g) A person who owns taxable property is entitled to an  
19 injunction prohibiting the taxing unit in which the property is  
20 taxable from adopting a tax rate if the assessor or designated  
21 officer or employee of the taxing unit, the tax notice officer of  
22 the applicable appraisal district, or the taxing unit, as  
23 applicable, has not complied with the computation, ~~[or]~~  
24 publication, or posting requirements of this section or Section  
25 26.16, 26.17, or 26.18 ~~[and the failure to comply was not in good~~  
26 ~~faith].~~ It is a defense in an action for an injunction under this  
27 subsection that the failure to comply was in good faith.



1        (h-1) Notwithstanding Subsection (h), if the anticipated  
2 collection rate of a taxing unit as calculated under that  
3 subsection is lower than the lowest actual collection rate of the  
4 taxing unit for any of the preceding three years, the anticipated  
5 collection rate of the taxing unit for purposes of this section is  
6 equal to the lowest actual collection rate of the taxing unit for  
7 any of the preceding three years.

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

12        (i) This subsection applies to a taxing unit that has agreed  
13 by written contract to transfer a distinct department, function, or  
14 activity to another taxing unit and discontinues operating that  
15 distinct department, function, or activity if the operation of that  
16 department, function, or activity in all or a majority of the  
17 territory of the taxing unit is continued by another existing  
18 taxing unit or by a new taxing unit. The rollback tax rate of a  
19 taxing unit to which this subsection applies in the first tax year  
20 in which a budget is adopted that does not allocate revenue to the  
21 discontinued department, function, or activity is calculated as  
22 otherwise provided by this section, except that last year's levy  
23 used to calculate the no-new-revenue [~~effective~~] maintenance and  
24 operations rate of the taxing unit is reduced by the amount of  
25 maintenance and operations tax revenue spent by the taxing unit to  
26 operate the department, function, or activity for the 12 months  
27 preceding the month in which the calculations required by this

1 chapter are made and in which the taxing unit operated the  
2 discontinued department, function, or activity. If the taxing unit  
3 did not operate that department, function, or activity for the full  
4 12 months preceding the month in which the calculations required by  
5 this chapter are made, the taxing unit shall reduce last year's levy  
6 used for calculating the no-new-revenue [~~effective~~] maintenance  
7 and operations rate of the taxing unit by the amount of the revenue  
8 spent in the last full fiscal year in which the taxing unit operated  
9 the discontinued department, function, or activity.

10 (j) This subsection applies to a taxing unit that had agreed  
11 by written contract to accept the transfer of a distinct  
12 department, function, or activity from another taxing unit and  
13 operates a distinct department, function, or activity if the  
14 operation of a substantially similar department, function, or  
15 activity in all or a majority of the territory of the taxing unit  
16 has been discontinued by another taxing unit, including a dissolved  
17 taxing unit. The rollback tax rate of a taxing unit to which this  
18 subsection applies in the first tax year after the other taxing unit  
19 discontinued the substantially similar department, function, or  
20 activity in which a budget is adopted that allocates revenue to the  
21 department, function, or activity is calculated as otherwise  
22 provided by this section, except that last year's levy used to  
23 calculate the no-new-revenue [~~effective~~] maintenance and  
24 operations rate of the taxing unit is increased by the amount of  
25 maintenance and operations tax revenue spent by the taxing unit  
26 that discontinued operating the substantially similar department,  
27 function, or activity to operate that department, function, or

1 activity for the 12 months preceding the month in which the  
 2 calculations required by this chapter are made and in which the  
 3 taxing unit operated the discontinued department, function, or  
 4 activity. If the taxing unit did not operate the discontinued  
 5 department, function, or activity for the full 12 months preceding  
 6 the month in which the calculations required by this chapter are  
 7 made, the taxing unit may increase last year's levy used to  
 8 calculate the no-new-revenue [~~effective~~] maintenance and  
 9 operations rate by an amount not to exceed the amount of property  
 10 tax revenue spent by the discontinuing taxing unit to operate the  
 11 discontinued department, function, or activity in the last full  
 12 fiscal year in which the discontinuing taxing unit operated the  
 13 department, function, or activity.

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

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

21 NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE = [(LAST YEAR'S  
 22 LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW  
 23 PROPERTY VALUE)] - SALES TAX GAIN RATE

24 and

25 ROLLBACK TAX RATE FOR SMALL TAXING UNIT =  
 26 (NO-NEW-REVENUE [~~EFFECTIVE~~] MAINTENANCE AND  
 27 OPERATIONS RATE x 1.08) + CURRENT DEBT RATE - SALES TAX

1 GAIN RATE

2 or

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

7 where "sales tax gain rate" means a number expressed in dollars per  
 8 \$100 of taxable value, calculated by dividing the revenue that will  
 9 be generated by the additional sales and use tax in the following  
 10 year as calculated under Subsection (d) [~~of this section~~] by the  
 11 current total value.

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

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

22 or

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

27 where "last year's maintenance and operations expense" means the

1 amount spent for maintenance and operations from property tax and  
 2 additional sales and use tax revenues in the preceding year, and  
 3 "sales tax revenue rate" means a number expressed in dollars per  
 4 \$100 of taxable value, calculated by dividing the revenue that will  
 5 be generated by the additional sales and use tax in the current year  
 6 as calculated under Subsection (d) [~~of this section~~] by the current  
 7 total value.

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

13 NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE = [(LAST YEAR'S  
 14 LEVY - LOST PROPERTY LEVY) / (CURRENT TOTAL VALUE - NEW  
 15 PROPERTY VALUE)] + SALES TAX LOSS RATE

16 [~~and~~]

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

21 and

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

26 where "sales tax loss rate" means a number expressed in dollars per  
 27 \$100 of taxable value, calculated by dividing the amount of sales

1 and use tax revenue generated in the last four quarters for which  
2 the information is available by the current total value and "last  
3 year's maintenance and operations expense" means the amount spent  
4 for maintenance and operations from property tax and additional  
5 sales and use tax revenues in the preceding year.

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

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

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

23 (e) If a city that imposes an additional sales and use tax  
24 receives payments under the terms of a contract executed before  
25 January 1, 1986, in which the city agrees not to annex certain  
26 property or a certain area and the owners or lessees of the property  
27 or of property in the area agree to pay at least annually to the city

1 an amount determined by reference to all or a percentage of the  
2 property tax rate of the city and all or a part of the value of the  
3 property subject to the agreement or included in the area subject to  
4 the agreement, the governing body, by order adopted by a majority  
5 vote of the governing body, may direct the designated officer or  
6 employee to add to the no-new-revenue [~~effective~~] and rollback tax  
7 rates the amount that, when applied to the total taxable value  
8 submitted to the governing body, would produce an amount of taxes  
9 equal to the difference between the total amount of payments for the  
10 tax year under contracts described by this subsection under the  
11 rollback tax rate calculated under this section and the total  
12 amount of payments for the tax year that would have been obligated  
13 to the city if the city had not adopted an additional sales and use  
14 tax.

15 (g) If the rate of the additional sales and use tax is  
16 increased, the designated officer or employee shall make two  
17 projections, in the manner provided by Subsection (d) [~~of this~~  
18 ~~section~~], of the revenue generated by the additional sales and use  
19 tax in the following year. The first projection must take into  
20 account the increase and the second projection must not take into  
21 account the increase. The designated officer or employee shall  
22 then subtract the amount of the result of the second projection from  
23 the amount of the result of the first projection to determine the  
24 revenue generated as a result of the increase in the additional  
25 sales and use tax. In the first year in which an additional sales  
26 and use tax is increased, the no-new-revenue [~~effective~~] tax rate  
27 for the taxing unit is the no-new-revenue [~~effective~~] tax rate

1 before the increase minus a number the numerator of which is the  
2 revenue generated as a result of the increase in the additional  
3 sales and use tax, as determined under this subsection, and the  
4 denominator of which is the current total value minus the new  
5 property value.

6 (h) If the rate of the additional sales and use tax is  
7 decreased, the designated officer or employee shall make two  
8 projections, in the manner provided by Subsection (d) [~~of this~~  
9 ~~section~~], of the revenue generated by the additional sales and use  
10 tax in the following year. The first projection must take into  
11 account the decrease and the second projection must not take into  
12 account the decrease. The designated officer or employee shall  
13 then subtract the amount of the result of the first projection from  
14 the amount of the result of the second projection to determine the  
15 revenue lost as a result of the decrease in the additional sales and  
16 use tax. In the first year in which an additional sales and use tax  
17 is decreased, the no-new-revenue [~~effective~~] tax rate for the  
18 taxing unit is the no-new-revenue [~~effective~~] tax rate before the  
19 decrease plus a number the numerator of which is the revenue lost as  
20 a result of the decrease in the additional sales and use tax, as  
21 determined under this subsection, and the denominator of which is  
22 the current total value minus the new property value.

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

25 Sec. 26.043. ROLLBACK AND NO-NEW-REVENUE [~~EFFECTIVE~~] TAX  
26 RATES [~~RATE~~] IN CITY IMPOSING MASS TRANSIT SALES AND USE TAX.

27 SECTION 32. Sections 26.043(a) and (b), Tax Code, are



1 amended to read as follows:

2 (a) In the tax year in which a city has set an election on  
3 the question of whether to impose a local sales and use tax under  
4 Subchapter H, Chapter 453, Transportation Code, the officer or  
5 employee designated to make the calculations provided by Section  
6 26.04 may not make those calculations until the outcome of the  
7 election is determined. If the election is determined in favor of  
8 the imposition of the tax, the designated officer or employee  
9 [~~representative~~] shall subtract from the city's rollback and  
10 no-new-revenue [~~effective~~] tax rates the amount that, if applied to  
11 the city's current total value, would impose an amount equal to the  
12 amount of property taxes budgeted in the current tax year to pay for  
13 expenses related to mass transit services.

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

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

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

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

24 (a) The first time that a county adopts a tax rate after  
25 September 1, 1991, in which the state criminal justice mandate  
26 applies to the county, the no-new-revenue [~~effective~~] maintenance  
27 and operation rate for the county is increased by the rate

1 calculated according to the following formula:

2 (State Criminal Justice Mandate) / (Current Total  
3 Value - New Property Value)

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

10 (This Year's State Criminal Justice Mandate - Previous  
11 Year's State Criminal Justice Mandate) / (Current  
12 Total Value - New Property Value)

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

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

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

27 Amount of Increase = Enhanced Indigent Health Care

1 Expenditures / (Current Total Value - New Property  
2 Value)

3 (b) In each subsequent tax year, if the taxing unit's  
4 enhanced indigent health care expenses exceed the amount of those  
5 expenses for the preceding year, the no-new-revenue [~~effective~~]  
6 maintenance and operations rate for the taxing unit is increased by  
7 the rate computed according to the following formula:

8 Amount of Increase = (Current Tax Year's Enhanced  
9 Indigent Health Care Expenditures - Preceding Tax  
10 Year's Indigent Health Care Expenditures) / (Current  
11 Total Value - New Property Value)

12 (c) The taxing unit shall include a notice of the increase  
13 in its no-new-revenue [~~effective~~] maintenance and operations rate  
14 provided by this section, including a brief description and the  
15 amount of the enhanced indigent health care expenditures, in the  
16 information published under Section 26.04(e) and, if applicable,  
17 Section 26.06(b).

18 SECTION 36. Section 26.05, Tax Code, is amended by amending  
19 Subsections (a), (b), (c), (d), (e), and (g) and adding Subsections  
20 (d-1), (d-2), and (e-1) to read as follows:

21 (a) The governing body of each taxing unit [~~, before the~~  
22 ~~later of September 30 or the 60th day after the date the certified~~  
23 ~~appraisal roll is received by the taxing unit,~~] shall adopt a tax  
24 rate for the current tax year and shall notify the assessor for the  
25 taxing unit of the rate adopted. The governing body must adopt a  
26 tax rate before the later of September 30 or the 60th day after the  
27 date the certified appraisal roll is received by the taxing unit,

1 except that the governing body must adopt a tax rate that exceeds  
2 the rollback tax rate before August 15. The tax rate consists of  
3 two components, each of which must be approved separately. The  
4 components are:

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

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

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

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

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

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

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

1           (2) include on the home page of the [~~any~~] Internet  
2 website of [~~operated by~~] the taxing unit:

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

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

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

23           (d) The governing body of a taxing unit other than a school  
24 district may not adopt a tax rate that exceeds the lower of the  
25 rollback tax rate or the no-new-revenue [~~effective~~] tax rate  
26 calculated as provided by this chapter until the governing body has  
27 held two public hearings on the proposed tax rate and has otherwise

1 complied with Section 26.06 and Section 26.065. The governing body  
2 of a taxing unit shall reduce a tax rate set by law or by vote of the  
3 electorate to the lower of the rollback tax rate or the  
4 no-new-revenue [~~effective~~] tax rate and may not adopt a higher rate  
5 unless it first complies with Section 26.06.

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

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

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

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

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

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

26 (3) the taxing unit has posted the information  
27 described by Section 26.18 on the Internet website used by the

1 taxing unit for that purpose.

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

20 (e-1) The governing body of a taxing unit that imposes an  
21 additional sales and use tax may not adopt the component of the tax  
22 rate of the taxing unit described by Subsection (a)(1) of this  
23 section until the chief financial officer or the auditor for the  
24 taxing unit submits to the governing body of the taxing unit a  
25 written certification that the amount of additional sales and use  
26 tax revenue that will be used to pay debt service has been deducted  
27 from the total amount published under Section 26.04(e)(3)(C) as



1 required by Subsection (a)(1) of this section. The comptroller  
2 shall adopt rules governing the form of the certification required  
3 by this subsection and the manner in which it is required to be  
4 submitted.

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

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

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

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

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

27 (3) if the proposed tax rate for the taxing unit

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

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

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

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

20 ["~~NOTICE OF PUBLIC HEARING ON TAX INCREASE~~

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

1 ~~change in taxable value of all other property and the tax rate that~~  
2 ~~is adopted.~~

3 ~~["The first public hearing will be held on (date and time) at~~  
4 ~~(meeting place).]~~

5 ~~["The second public hearing will be held on (date and time) at~~  
6 ~~(meeting place).]~~

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

10 ~~["The average taxable value of a residence homestead in (name~~  
11 ~~of taxing unit) last year was \$\_\_\_\_\_ (average taxable value of a~~  
12 ~~residence homestead in the taxing unit for the preceding tax year,~~  
13 ~~disregarding residence homestead exemptions available only to~~  
14 ~~disabled persons or persons 65 years of age or older). Based on~~  
15 ~~last year's tax rate of \$\_\_\_\_\_ (preceding year's adopted tax rate)~~  
16 ~~per \$100 of taxable value, the amount of taxes imposed last year on~~  
17 ~~the average home was \$\_\_\_\_\_ (tax on average taxable value of a~~  
18 ~~residence homestead in the taxing unit for the preceding tax year,~~  
19 ~~disregarding residence homestead exemptions available only to~~  
20 ~~disabled persons or persons 65 years of age or older).]~~

21 ~~["The average taxable value of a residence homestead in (name~~  
22 ~~of taxing unit) this year is \$\_\_\_\_\_ (average taxable value of a~~  
23 ~~residence homestead in the taxing unit for the current tax year,~~  
24 ~~disregarding residence homestead exemptions available only to~~  
25 ~~disabled persons or persons 65 years of age or older). If the~~  
26 ~~governing body adopts the effective tax rate for this year of \$\_\_\_\_\_~~  
27 ~~(effective tax rate) per \$100 of taxable value, the amount of taxes~~

1 ~~imposed this year on the average home would be \$\_\_\_\_\_ (tax on average~~  
2 ~~taxable value of a residence homestead in the taxing unit for the~~  
3 ~~current tax year, disregarding residence homestead exemptions~~  
4 ~~available only to disabled persons or persons 65 years of age or~~  
5 ~~elder).~~

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

12 ~~["Members of the public are encouraged to attend the hearings~~  
13 ~~and express their views."]~~

14 (b-1) If the proposed tax rate exceeds the no-new-revenue  
15 tax rate and the rollback tax rate of the taxing unit, the notice  
16 must contain a statement in the following form:

17 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

18 "PROPOSED TAX RATE                    \$\_\_\_\_\_ per \$100

19 "NO-NEW-REVENUE TAX RATE            \$\_\_\_\_\_ per \$100

20 "ROLLBACK TAX RATE                    \$\_\_\_\_\_ per \$100

21 "The no-new-revenue tax rate is the tax rate for the (current  
22 tax year) tax year that will raise the same amount of property tax  
23 revenue for (name of taxing unit) from the same properties in both  
24 the (preceding tax year) tax year and the (current tax year) tax  
25 year.

26 "The rollback tax rate is the highest tax rate that (name of  
27 taxing unit) may adopt without holding an election to ratify the

1 rate.

2 "The proposed tax rate is greater than the no-new-revenue tax  
3 rate. This means that (name of taxing unit) is proposing to  
4 increase property taxes for the (current tax year) tax year.

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

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

9 "The proposed tax rate is also greater than the rollback tax  
10 rate. If (name of taxing unit) adopts the proposed tax rate, (name  
11 of taxing unit) is required to hold an election so that the voters  
12 may accept or reject the proposed tax rate. If a majority of the  
13 voters reject the proposed tax rate, the (name of taxing unit) will  
14 be required to adopt a new tax rate that is not greater than the  
15 rollback tax rate. The election will be held on (date of election).  
16 You may contact the (name of office responsible for administering  
17 the election) for information about voting locations. The hours of  
18 voting on election day are (voting hours).

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

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

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

26 (b-2) If the proposed tax rate exceeds the no-new-revenue  
27 tax rate but does not exceed the rollback tax rate of the taxing

1 unit, the notice must contain a statement in the following form:

2 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

3 "PROPOSED TAX RATE                    \$\_\_\_\_\_ per \$100

4 "NO-NEW-REVENUE TAX RATE        \$\_\_\_\_\_ per \$100

5 "ROLLBACK TAX RATE                \$\_\_\_\_\_ per \$100

6 "The no-new-revenue tax rate is the tax rate for the (current  
7 tax year) tax year that will raise the same amount of property tax  
8 revenue for (name of taxing unit) from the same properties in both  
9 the (preceding tax year) tax year and the (current tax year) tax  
10 year.

11 "The rollback tax rate is the highest tax rate that (name of  
12 taxing unit) may adopt without holding an election to ratify the  
13 rate.

14 "The proposed tax rate is greater than the no-new-revenue tax  
15 rate. This means that (name of taxing unit) is proposing to  
16 increase property taxes for the (current tax year) tax year.

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

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

21 "The proposed tax rate is not greater than the rollback tax  
22 rate. As a result, (name of taxing unit) is not required to hold an  
23 election at which voters may accept or reject the proposed tax rate.  
24 However, you may express your support for or opposition to the  
25 proposed tax rate by contacting the members of the (name of  
26 governing body) of (name of taxing unit) at their offices or by  
27 attending one of the public hearings mentioned above.

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

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

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

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

12 "NOTICE OF PUBLIC HEARING ON TAX RATE

13 "PROPOSED TAX RATE                    \$\_\_\_\_\_ per \$100

14 "NO-NEW-REVENUE TAX RATE            \$\_\_\_\_\_ per \$100

15 "ROLLBACK TAX RATE                    \$\_\_\_\_\_ per \$100

16 "The no-new-revenue tax rate is the tax rate for the (current  
17 tax year) tax year that will raise the same amount of property tax  
18 revenue for (name of taxing unit) from the same properties in both  
19 the (preceding tax year) tax year and the (current tax year) tax  
20 year.

21 "The rollback tax rate is the highest tax rate that (name of  
22 taxing unit) may adopt without holding an election to ratify the  
23 rate.

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

27 "A public hearing on the proposed tax rate will be held on

1 (date and time) at (meeting place).

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

4 "The proposed tax rate is greater than the rollback tax rate.  
5 If (name of taxing unit) adopts the proposed tax rate, (name of  
6 taxing unit) is required to hold an election so that the voters may  
7 accept or reject the proposed tax rate. If a majority of the voters  
8 reject the proposed tax rate, the (name of taxing unit) will be  
9 required to adopt a new tax rate that is not greater than the  
10 rollback tax rate. The election will be held on (date of election).  
11 You may contact the (name of office responsible for administering  
12 the election) for information about voting locations. The hours of  
13 voting on election day are (voting hours).

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

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

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

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

24 (c) The notice of a public hearing under this section may be  
25 delivered by mail to each property owner in the taxing unit, or may  
26 be published in a newspaper. If the notice is published in a  
27 newspaper, it may not be in the part of the paper in which legal



1 notices and classified advertisements appear. If the taxing unit  
2 publishes the notice in a newspaper [~~operates an Internet website~~],  
3 the taxing unit must also post the notice prominently on the home  
4 page of the Internet website of the taxing unit [~~must be posted on~~  
5 ~~the website~~] from the date the notice is first published until the  
6 second public hearing is concluded.

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

13 "NOTICE OF TAX REVENUE INCREASE

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

21 "The total tax revenue proposed to be raised last year at last  
22 year's tax rate of (insert tax rate for the preceding year) for each  
23 \$100 of taxable value was (insert total amount of taxes imposed in  
24 the preceding year).

25 "The total tax revenue proposed to be raised this year at the  
26 proposed tax rate of (insert proposed tax rate) for each \$100 of  
27 taxable value, excluding tax revenue to be raised from new property

1 added to the tax roll this year, is (insert amount computed by  
2 multiplying proposed tax rate by the difference between current  
3 total value and new property value).

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

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

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

16 (e) The meeting to vote on the tax increase may not be  
17 earlier than the third day or later than the seventh [~~14th~~] day  
18 after the date of the second public hearing. The meeting must be  
19 held inside the boundaries of the taxing unit in a publicly owned  
20 building or, if a suitable publicly owned building is not  
21 available, in a suitable building to which the public normally has  
22 access. If the governing body does not adopt a tax rate that  
23 exceeds the lower of the rollback tax rate or the no-new-revenue  
24 [~~effective~~] tax rate by the seventh [~~14th~~] day, it must give a new  
25 notice under Subsection (d) before it may adopt a rate that exceeds  
26 the lower of the rollback tax rate or the no-new-revenue  
27 [~~effective~~] tax rate.

1 SECTION 39. Chapter 26, Tax Code, is amended by adding  
2 Sections 26.061 and 26.062 to read as follows:

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

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

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

12 "NOTICE OF MEETING TO VOTE ON TAX RATE

13 "PROPOSED TAX RATE \$\_\_\_\_\_ per \$100

14 "NO-NEW-REVENUE TAX RATE \$\_\_\_\_\_ per \$100

15 "ROLLBACK TAX RATE \$\_\_\_\_\_ per \$100

16 "The no-new-revenue tax rate is the tax rate for the (current  
17 tax year) tax year that will raise the same amount of property tax  
18 revenue for (name of taxing unit) from the same properties in both  
19 the (preceding tax year) tax year and the (current tax year) tax  
20 year.

21 "The rollback tax rate is the highest tax rate that (name of  
22 taxing unit) may adopt without holding an election to ratify the  
23 rate.

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

27 "A public meeting to vote on the proposed tax rate will be

1 held on (date and time) at (meeting place).

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

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

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

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

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

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

23 (1) a statement in the following form:

24 "The following table compares the taxes imposed on the  
25 average residence homestead by (name of taxing unit) last year to  
26 the taxes proposed to be imposed on the average residence homestead  
27 by (name of taxing unit) this year:";

1           (2) a table in the form required by this section  
2 following the statement described by Subdivision (1); and

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

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

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

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

15           (c) The first row must appear as follows:

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

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

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

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

24           (d) The second row must appear as follows:

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

27                   (2) the second column of the second row must state the

1 adopted tax rate for the preceding tax year;  
2 (3) the third column of the second row must state the  
3 proposed tax rate for the current tax year; and  
4 (4) the fourth column of the second row must state the  
5 nominal and percentage difference between the adopted tax rate for  
6 the preceding tax year and the proposed tax rate for the current tax  
7 year as follows: "(increase or decrease, as applicable) of  
8 (nominal difference between tax rate stated in second column of  
9 second row and tax rate stated in third column of second row) per  
10 \$100, or (percentage difference between tax rate stated in second  
11 column of second row and tax rate stated in third column of second  
12 row)%".  
13 (e) The third row must appear as follows:  
14 (1) the first column of the third row must be entitled  
15 "Average homestead taxable value";  
16 (2) the second column of the third row must state the  
17 average taxable value of a residence homestead in the taxing unit  
18 for the preceding tax year;  
19 (3) the third column of the third row must state the  
20 average taxable value of a residence homestead in the taxing unit  
21 for the current tax year; and  
22 (4) the fourth column of the third row must state the  
23 percentage difference between the average taxable value of a  
24 residence homestead in the taxing unit for the preceding tax year  
25 and the average taxable value of a residence homestead in the taxing  
26 unit for the current tax year as follows: "(increase or decrease,  
27 as applicable) of (percentage difference between amount stated in

1 second column of third row and amount stated in third column of  
2 third row)%".

3 (f) The fourth row must appear as follows:

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

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

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

17 (4) the fourth column of the fourth row must state the  
18 nominal and percentage difference between the amount of taxes  
19 imposed by the taxing unit in the preceding tax year on a residence  
20 homestead with a taxable value equal to the average taxable value of  
21 a residence homestead in the taxing unit in the preceding tax year  
22 and the amount of taxes that would be imposed by the taxing unit in  
23 the current tax year on a residence homestead with a taxable value  
24 equal to the average taxable value of a residence homestead in the  
25 taxing unit in the current tax year if the taxing unit adopted the  
26 proposed tax rate, as follows: "(increase or decrease, as  
27 applicable) of (nominal difference between amount stated in second

1 column of fourth row and amount stated in third column of fourth  
2 row), or (percentage difference between amount stated in second  
3 column of fourth row and amount stated in third column of fourth  
4 row)%".

5 (g) The fifth row must appear as follows:

6 (1) the first column of the fifth row must be entitled  
7 "Total tax levy on all properties";

8 (2) the second column of the fifth row must state the  
9 amount equal to last year's levy;

10 (3) the third column of the fifth row must state the  
11 amount computed by multiplying the proposed tax rate by the current  
12 total value and dividing the product by 100; and

13 (4) the fourth column of the fifth row must state the  
14 nominal and percentage difference between the total amount of taxes  
15 imposed by the taxing unit in the preceding tax year and the amount  
16 that would be imposed by the taxing unit in the current tax year if  
17 the taxing unit adopted the proposed tax rate, as follows:  
18 "(increase or decrease, as applicable) of (nominal difference  
19 between amount stated in second column of fifth row and amount  
20 stated in third column of fifth row), or (percentage difference  
21 between amount stated in second column of fifth row and amount  
22 stated in third column of fifth row)%".

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



1 disregarded.

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

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

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

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

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

18 (a) If the governing body of a taxing unit [~~school district~~]  
19 adopts a tax rate that exceeds the taxing unit's [~~district's~~]  
20 rollback tax rate, the registered voters of the taxing unit  
21 [~~district~~] at an election held for that purpose must determine  
22 whether to approve the adopted tax rate. When increased  
23 expenditure of money by a taxing unit [~~school district~~] is  
24 necessary to respond to a disaster, including a tornado, hurricane,  
25 flood, or other calamity, but not including a drought, that has  
26 impacted the taxing unit [~~a school district~~] and the governor has  
27 declared any part of [~~requested federal disaster assistance for~~]

1 the area in which the taxing unit [~~school district~~] is located as a  
 2 disaster area, an election is not required under this section to  
 3 approve the tax rate adopted by the governing body for the year  
 4 following the year in which the disaster occurs.

5 (b) This subsection applies only to a taxing unit other than  
 6 a school district. The governing body shall order that the election  
 7 be held in the taxing unit [~~school district~~] on the uniform election  
 8 date prescribed by [~~a date not less than 30 or more than 90 days~~  
 9 ~~after the day on which it adopted the tax rate.~~] Section 41.001,  
 10 Election Code, that occurs in November of the applicable tax year.  
 11 The order calling the election may not be issued later than August  
 12 15 [~~does not apply to the election unless a date specified by that~~  
 13 ~~section falls within the time permitted by this section~~]. At the  
 14 election, the ballots shall be prepared to permit voting for or  
 15 against the proposition: "Approving the ad valorem tax rate of  
 16 \$\_\_\_\_\_ per \$100 valuation in (name of taxing unit [~~school~~  
 17 ~~district~~]) for the current year, a rate that is \$\_\_\_\_\_ higher per  
 18 \$100 valuation than the [~~school district~~] rollback tax rate of  
 19 (name of taxing unit), for the purpose of (description of purpose of  
 20 increase)." The ballot proposition must include the adopted tax  
 21 rate and the difference between that rate and the rollback tax rate  
 22 in the appropriate places.

23 (b-1) This subsection applies only to a school district.  
 24 The governing body of a school district shall order that the  
 25 election be held in the school district on the uniform election date  
 26 prescribed by Section 41.001, Election Code, that occurs in  
 27 November of the applicable tax year. The order calling the election

1 may not be issued later than August 15. At the election, the  
2 ballots shall be prepared to permit voting for or against the  
3 proposition: "Approving the ad valorem tax rate of \$\_\_\_ per \$100  
4 valuation in (name of school district) for the current year, a rate  
5 that is \$\_\_\_\_\_ higher per \$100 valuation than the rollback tax rate  
6 of (name of school district), for the purpose of (description of  
7 purpose of increase). This rate will allow the school district to  
8 collect an amount of maintenance and operations tax revenue that is  
9 at least 2.5 percent greater than the amount of that revenue that  
10 was collected by the school district in the preceding year." The  
11 ballot proposition must include the adopted tax rate and the  
12 difference between that rate and the rollback tax rate in the  
13 appropriate places.

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

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

1 to the number of days between the date the first tax bills were sent  
2 and the date the corrected tax bills were sent.

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

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

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

27 (h) For purposes of this section, increases in taxable

1 values and tax levies occurring within a reinvestment zone  
2 designated under Chapter 311 [~~(Tax Increment Financing Act),~~] in  
3 which a school [~~the~~] district is a participant[~~7~~] shall be  
4 eliminated from the calculation of the tax rate adopted by the  
5 governing body of the school district.

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

19 (n) For purposes of this section, the rollback tax rate of a  
20 school district [~~whose maintenance and operations tax rate for the~~  
21 ~~2005 tax year was \$1.50 or less per \$100 of taxable value~~] is the sum  
22 of the following:

23 (1) the rate per \$100 of taxable value that is equal to  
24 the product of the no-new-revenue maintenance and operations tax  
25 rate of the district as computed under Subsection (i) and 1.025 [~~for~~  
26 ~~the 2006 tax year, the sum of the rate that is equal to 88.67 percent~~  
27 ~~of the maintenance and operations tax rate adopted by the district~~

1 ~~for the 2005 tax year, the rate of \$0.04 per \$100 of taxable value,~~  
2 ~~and the district's current debt rate]; and~~

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

5 ~~[(A) the sum of the following:~~

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

10 ~~[(ii) the rate of \$0.04 per \$100 of taxable~~  
11 ~~value;~~

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

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

18 ~~[(B) the sum of the following:~~

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

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

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

27 (p) Notwithstanding Subsections (i) and [7] (n), [~~and (o)~~]

1 if for the preceding tax year a school district adopted a  
 2 maintenance and operations tax rate that was less than the  
 3 district's no-new-revenue [~~effective~~] maintenance and operations  
 4 tax rate for that preceding tax year, the rollback tax rate of the  
 5 district for the current tax year is calculated as if the district  
 6 adopted a maintenance and operations tax rate for the preceding tax  
 7 year that was equal to the district's no-new-revenue [~~effective~~]  
 8 maintenance and operations tax rate for that preceding tax year.

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

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

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

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

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

- 1 (1) the adopted tax rate;
- 2 (2) the maintenance and operations rate;
- 3 (3) the debt rate;
- 4 (4) the no-new-revenue [~~effective~~] tax rate;
- 5 (5) the no-new-revenue [~~effective~~] maintenance and  
6 operations rate; and
- 7 (6) the rollback tax rate.

8 (a-1) For purposes of Subsection (a), a reference to the  
9 no-new-revenue tax rate or the no-new-revenue maintenance and  
10 operations rate includes the equivalent effective tax rate or  
11 effective maintenance and operations rate for a preceding year.  
12 This subsection expires January 1, 2026.

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

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

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

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

27 "The debt rate is the component of the adopted tax rate of a



1 taxing unit that will impose the amount of taxes needed to fund the  
2 taxing unit's debt service for the following year.

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

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

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

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

26 (1) the tax rate calculation forms used by the  
27 designated officer or employee of each taxing unit to calculate the

1 no-new-revenue and rollback tax rates of the taxing unit for the  
2 most recent five tax years beginning with the 2020 tax year, as  
3 certified by the designated officer or employee under Section  
4 26.04(d-2); and

5 (2) the name and official contact information for each  
6 member of the governing body of the taxing unit.

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

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

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

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

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

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

26 (4) is accessible to the public; and

27 (5) is searchable by property address and owner.

1        (b) The database must be capable of generating, with respect  
2 to each property listed on the appraisal roll for the appraisal  
3 district, a real-time tax notice that includes:

4            (1) the property's identification number;

5            (2) the property's market value;

6            (3) the property's taxable value;

7            (4) the name of each taxing unit in which the property  
8 is located;

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

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

12                  (B) the rollback tax rate;

13            (6) for each school district in which the property is  
14 located:

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

18                  (B) the rollback tax rate;

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

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

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

25                  (B) the proposed tax rate;

26            (9) for each school district in which the property is  
27 located, the taxes that would be imposed on the property if the

1 district adopted a tax rate equal to:

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

5 (B) the proposed tax rate;

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

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

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

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

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

25 (c) The address of the Internet website at which the  
26 information contained in the database may be found must be in the  
27 form "(insert name of county in which appraisal district is

1 established)CountyTaxRates.gov" or a substantially similar form.

2 (d) The database must provide a link to the Internet website  
3 used by each taxing unit in which the property is located to post  
4 the information described by Section 26.18. The link must be  
5 preceded by the following statement:

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

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

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

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

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

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

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

26 (f) The officer or employee designated by the governing body  
27 of each taxing unit to calculate the no-new-revenue tax rate and the

1 rollback tax rate for the taxing unit must electronically:

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

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

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

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

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

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

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

26 (3) the official contact information for each member  
27 of the governing body of the taxing unit, if that information is

- 1 different from the information described by Subdivision (2);  
2 (4) the taxing unit's budget for the preceding two  
3 years;  
4 (5) the taxing unit's proposed or adopted budget for  
5 the current year;  
6 (6) the change in the amount of the taxing unit's  
7 budget from the preceding year to the current year, by dollar amount  
8 and percentage;  
9 (7) in the case of a taxing unit other than a school  
10 district, the amount of property tax revenue budgeted for  
11 maintenance and operations for:  
12 (A) the preceding two years; and  
13 (B) the current year;  
14 (8) in the case of a taxing unit other than a school  
15 district, the amount of property tax revenue budgeted for debt  
16 service for:  
17 (A) the preceding two years; and  
18 (B) the current year;  
19 (9) the tax rate for maintenance and operations  
20 adopted by the taxing unit for the preceding two years;  
21 (10) in the case of a taxing unit other than a school  
22 district, the tax rate for debt service adopted by the taxing unit  
23 for the preceding two years;  
24 (11) in the case of a school district, the interest and  
25 sinking fund tax rate adopted by the district for the preceding two  
26 years;  
27 (12) the tax rate for maintenance and operations

1 proposed by the taxing unit for the current year;

2 (13) in the case of a taxing unit other than a school  
3 district, the tax rate for debt service proposed by the taxing unit  
4 for the current year;

5 (14) in the case of a school district, the interest and  
6 sinking fund tax rate proposed by the district for the current year;  
7 and

8 (15) the most recent financial audit of the taxing  
9 unit.

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

12 (a) If a refund of a tax provided by Section 11.431(b),  
13 26.08(d-2) [26.07(g)], 26.15(f), 31.11, 31.111, or 31.112 is paid  
14 on or before the 60th day after the date the liability for the  
15 refund arises, no interest is due on the amount refunded. If not  
16 paid on or before that 60th day, the amount of the tax to be refunded  
17 accrues interest at a rate of one percent for each month or part of a  
18 month that the refund is unpaid, beginning with the date on which  
19 the liability for the refund arises.

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

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

25 (2) if the refund is required by Section 26.08(d-2)  
26 [26.07(g)], on the date the subsequent tax rate is adopted [~~results~~  
27 ~~of the election to reduce the tax rate are certified~~];



1 (3) if the refund is required by Section 26.15(f):

2 (A) for a correction to the tax roll made under  
3 Section 26.15(b), on the date the change in the tax roll is  
4 certified to the assessor for the taxing unit under Section 25.25;  
5 or

6 (B) for a correction to the tax roll made under  
7 Section 26.15(c), on the date the change in the tax roll is ordered  
8 by the governing body of the taxing unit;

9 (4) if the refund is required by Section 31.11, on the  
10 date the auditor for the taxing unit determines that the payment was  
11 erroneous or excessive or, if the amount of the refund exceeds the  
12 applicable amount specified by Section 31.11(a), on the date the  
13 governing body of the taxing unit approves the refund;

14 (5) if the refund is required by Section 31.111, on the  
15 date the collector for the taxing unit determines that the payment  
16 was erroneous; or

17 (6) if the refund is required by Section 31.112, on the  
18 date required by Section 31.112(d) or (e), as applicable.

19 SECTION 47. Section 33.08(b), Tax Code, is amended to read  
20 as follows:

21 (b) The governing body of the taxing unit or appraisal  
22 district, in the manner required by law for official action, may  
23 provide that taxes that become delinquent on or after June 1 under  
24 Section 26.08(d-1) [~~26.07(f)~~], 26.15(e), 31.03, 31.031, 31.032,  
25 31.04, or 42.42 incur an additional penalty to defray costs of  
26 collection. The amount of the penalty may not exceed the amount of  
27 the compensation specified in the applicable contract with an

1 attorney under Section 6.30 to be paid in connection with the  
2 collection of the delinquent taxes.

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

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

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

10 [~~2~~] an exclusion of property from the appraisal  
11 records;

12 (2) [~~3~~] a grant in whole or in part of a partial  
13 exemption;

14 (3) [~~4~~] a determination that land qualifies for  
15 appraisal as provided by Subchapter C, D, E, or H, Chapter 23; or

16 (4) [~~5~~] failure to identify the taxing unit as one  
17 in which a particular property is taxable.

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

20 (a) By July 5 [~~20~~], the appraisal review board shall:

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

23 (2) determine all timely filed challenges;

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

26 (4) approve the records.

27 SECTION 50. Section 41.44(d), Tax Code, is amended to read

1 as follows:

2 (d) A notice of protest is sufficient if it identifies the  
3 protesting property owner, including a person claiming an ownership  
4 interest in the property even if that person is not listed on the  
5 appraisal records as an owner of the property, identifies the  
6 property that is the subject of the protest, and indicates apparent  
7 dissatisfaction with some determination of the appraisal office.  
8 The notice need not be on an official form, but the comptroller  
9 shall prescribe a form that provides for more detail about the  
10 nature of the protest. The form must permit a property owner to  
11 include each property in the appraisal district that is the subject  
12 of a protest. The form must permit a property owner to request that  
13 the protest be heard by a special panel established under Section  
14 6.425 if the protest will be determined by an appraisal review board  
15 to which that section applies and the property is included in a  
16 classification described by Section 6.425(b). The comptroller,  
17 each appraisal office, and each appraisal review board shall make  
18 the forms readily available and deliver one to a property owner on  
19 request.

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

23 (d) This subsection does not apply to a special panel  
24 established under Section 6.425. An appraisal review board  
25 consisting of more than three members may sit in panels of not fewer  
26 than three members to conduct protest hearings. [~~However, the~~  
27 ~~determination of a protest heard by a panel must be made by the~~

1 ~~board.]~~ If the recommendation of a panel is not accepted by the  
2 board, the board may refer the matter for rehearing to a panel  
3 composed of members who did not hear the original protest ~~[hearing]~~  
4 or, if there are not at least three members who did not hear the  
5 original protest, the board may determine the protest. ~~[Before~~  
6 ~~determining a protest or conducting a rehearing before a new panel~~  
7 ~~or the board, the board shall deliver notice of the hearing or~~  
8 ~~meeting to determine the protest in accordance with the provisions~~  
9 ~~of this subchapter.]~~

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

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

24 (d-3) The board must deliver notice of a hearing or meeting  
25 to determine a protest heard by a panel, or to rehear a protest,  
26 under Subsection (d) or (d-1) in accordance with the provisions of  
27 this subchapter.

1 SECTION 52. Section 41.46(a), Tax Code, is amended to read  
2 as follows:

3 (a) The appraisal review board before which a protest  
4 hearing is scheduled shall deliver written notice to the property  
5 owner initiating a protest of the date, time, ~~and~~ place, and  
6 subject matter of ~~[fixed for]~~ the hearing on the protest and of the  
7 property owner's entitlement to a postponement of the hearing as  
8 provided by Section 41.45 unless the property owner waives in  
9 writing notice of the hearing. The board shall deliver the notice  
10 not later than the 15th day before the date of the hearing.

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

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

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

21 (2) inform the property owner that the owner or the  
22 agent of the owner is entitled on request to ~~[may inspect and may~~  
23 ~~obtain]~~ a copy of the data, schedules, formulas, and all other  
24 information the chief appraiser will ~~[plans to]~~ introduce at the  
25 hearing to establish any matter at issue; and

26 (3) deliver a copy of the hearing procedures  
27 established by the appraisal review board under Section 41.66 to

1 the property owner.

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

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

11 [~~(2) the total charge for copies provided in~~  
12 ~~connection with a protest of the appraisal of a single unit of~~  
13 ~~property subject to appraisal, other than residential property, may~~  
14 ~~not exceed \$25].~~

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

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

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

24 (3) subject to Subsection (d), by referring the  
25 property owner or the agent of the owner to a secure Internet  
26 website with user registration and authentication or to the exact  
27 Internet location or uniform resource locator (URL) address on an

1 Internet website maintained by the appraisal district on which the  
2 requested information is identifiable and readily available.

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

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

15 (c-2) The board may not determine the appraised value of the  
16 property that is the subject of a protest to be an amount greater  
17 than the appraised value of the property as shown in the appraisal  
18 records submitted to the board by the chief appraiser under Section  
19 25.22 or 25.23.

20 (e) The notice of the issuance of the order must contain a  
21 prominently printed statement in upper-case bold lettering  
22 informing the property owner in clear and concise language of the  
23 property owner's right to appeal the order of the board [~~board's~~  
24 ~~decision~~] to district court. The statement must describe the  
25 deadline prescribed by Section 42.06(a) [~~of this code~~] for filing a  
26 written notice of appeal[~~7~~] and the deadline prescribed by Section  
27 42.21(a) [~~of this code~~] for filing the petition for review with the

1 district court.

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

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

8 (h) The appraisal review board shall postpone a hearing on a  
9 protest if the property owner or the designated agent of the owner  
10 requests additional time to prepare for the hearing and establishes  
11 to the board that the chief appraiser failed to comply with Section  
12 41.461. The board is not required to postpone a hearing more than  
13 one time under this subsection.

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

21 (j) On the request of a property owner or the [~~a~~] designated  
22 agent of the owner, an appraisal review board shall schedule  
23 hearings on protests concerning up to 20 designated properties to  
24 be held consecutively on the same day. The designated properties  
25 must be identified in the same notice of protest, and the notice  
26 must contain in boldfaced type the statement "request for same-day  
27 protest hearings." A property owner or the designated agent of the



1 owner may [~~not~~] file more than one request under this subsection  
2 with the appraisal review board in the same tax year. The appraisal  
3 review board may schedule hearings on protests concerning more than  
4 20 properties filed by the same property owner or the designated  
5 agent of the owner and may use different panels to conduct the  
6 hearings based on the board's customary scheduling. The appraisal  
7 review board may follow the practices customarily used by the board  
8 in the scheduling of hearings under this subsection.

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

26 (k) This subsection does not apply to a special panel  
27 established under Section 6.425. If an appraisal review board sits

1 in panels to conduct protest hearings, protests shall be randomly  
2 assigned to panels, except that the board may consider the type of  
3 property subject to the protest or the ground of the protest for the  
4 purpose of using the expertise of a particular panel in hearing  
5 protests regarding particular types of property or based on  
6 particular grounds. If a protest is scheduled to be heard by a  
7 particular panel, the protest may not be reassigned to another  
8 panel without the consent of the property owner or the designated  
9 agent of the owner. If the appraisal review board has cause to  
10 reassign a protest to another panel, a property owner or the  
11 designated agent of the owner may agree to reassignment of the  
12 protest or may request that the hearing on the protest be postponed.  
13 The board shall postpone the hearing on that request. A change of  
14 members of a panel because of a conflict of interest, illness, or  
15 inability to continue participating in hearings for the remainder  
16 of the day does not constitute reassignment of a protest to another  
17 panel.

18 (k-1) On the request of a property owner or the designated  
19 agent of the owner, an appraisal review board to which Section 6.425  
20 applies shall assign a protest relating to property described by  
21 Section 6.425(b) to a special panel. In addition, the chairman of  
22 the appraisal review board may assign a protest relating to  
23 property not described by Section 6.425(b) to a special panel as  
24 authorized by Section 6.425(f). Protests assigned to special  
25 panels shall be randomly assigned to those panels. If a protest is  
26 scheduled to be heard by a particular special panel, the protest may  
27 not be reassigned to another special panel without the consent of

1 the property owner or the designated agent of the owner. If the  
2 board has cause to reassign a protest to another special panel, a  
3 property owner or the designated agent of the owner may agree to  
4 reassignment of the protest or may request that the hearing on the  
5 protest be postponed. The board shall postpone the hearing on that  
6 request. A change of members of a special panel because of a  
7 conflict of interest, illness, or inability to continue  
8 participating in hearings for the remainder of the day does not  
9 constitute reassignment of a protest to another special panel.

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

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

17 (d) Information that was previously requested under Section  
18 41.461 by the protesting party that was not delivered [~~made~~  
19 ~~available~~] to the protesting party at least 14 days before the  
20 scheduled or postponed hearing may not be used or offered in any  
21 form as evidence in the hearing, including as a document or through  
22 argument or testimony.

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

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

1 weekday [~~Sunday~~].

2 (b) The board may not schedule:

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

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

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

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

10 (1) meet the following requirements, as applicable:

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

12 (B) have:

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

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

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

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

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

25 (2) complete the course for training and education of  
26 appraisal review board members established under Section 5.041 and  
27 be issued a certificate indicating course completion;

1           (3) complete the training program on property tax law  
2 for the training and education of arbitrators established under  
3 Section 5.043; and

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

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

10                   (B) \$450, if the property qualifies as the  
11 owner's residence homestead under Section 11.13 and the appraised  
12 or market value, as applicable, of the property is more than  
13 \$500,000, as determined by the order;

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

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

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

27                   (F) \$1,500, if the property does not qualify as

1 the owner's residence homestead under Section 11.13 and the  
2 appraised or market value, as applicable, of the property is more  
3 than \$3 million but not more than \$5 million, as determined by the  
4 order.

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

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

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

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

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

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

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

22 [~~(1) in the county in which the property that is the~~  
23 ~~subject of the appeal is located; or~~

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

26 (f) A person is not eligible for appointment as an  
27 arbitrator under this section [~~Subsection (a)~~] if at any time

1 during the preceding five years, the person has:

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

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

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

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

14 (h) A property owner may request that, in appointing an  
15 initial arbitrator under this section, the comptroller appoint an  
16 arbitrator who resides in the county in which the property that is  
17 the subject of the appeal is located or an arbitrator who resides  
18 outside that county. In appointing an initial arbitrator under  
19 Subsection (a), the comptroller shall comply with the request of  
20 the property owner unless the property owner requests that the  
21 comptroller appoint an arbitrator who resides in the county in  
22 which the property that is the subject of the appeal is located and  
23 there is not an available arbitrator who resides in that county. In  
24 appointing a substitute arbitrator under Subsection (d), the  
25 comptroller shall consider but is not required to comply with the  
26 request of the property owner. This subsection does not authorize a  
27 property owner to request the appointment of a specific individual

1 as an arbitrator.

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

4 (b) An award under this section:

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

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

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

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

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

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

20 (e) The governing body of an independent school district  
21 that governs a junior college district under Subchapter B, Chapter  
22 130, in a county with a population of more than two million may  
23 dedicate a specific percentage of the local tax levy to the use of  
24 the junior college district for facilities and equipment or for the  
25 maintenance and operating expenses of the junior college district.  
26 To be effective, the dedication must be made by the governing body  
27 on or before the date on which the governing body adopts its tax



1 rate for a year. The amount of local tax funds derived from the  
2 percentage of the local tax levy dedicated to a junior college  
3 district from a tax levy may not exceed the amount that would be  
4 levied by five percent of the no-new-revenue ~~[effective]~~ tax rate  
5 for the tax year calculated as provided by Section 26.04, Tax Code,  
6 on all property taxable by the school district. All real property  
7 purchased with these funds is the property of the school district,  
8 but is subject to the exclusive control of the governing body of the  
9 junior college district for as long as the junior college district  
10 uses the property for educational purposes.

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

13 (b) If the board of trustees of an independent school  
14 district that divests itself of the management, control, and  
15 operation of a junior college district under this section or under  
16 Section 130.017 ~~[of this code]~~ was authorized by ~~[Subsection (e)~~  
17 ~~of]~~ Section 45.105(e) or under former Section 20.48(e) ~~[20.48 of~~  
18 ~~this code]~~ to dedicate a portion of its tax levy to the junior  
19 college district before the divestment, the junior college district  
20 may levy an ad valorem tax from and after the divestment. In the  
21 first two years in which the junior college district levies an ad  
22 valorem tax, the tax rate adopted by the governing body may not  
23 exceed the rate that, if applied to the total taxable value  
24 submitted to the governing body under Section 26.04, Tax Code,  
25 would impose an amount equal to the amount of taxes of the school  
26 district dedicated to the junior college under ~~[Subsection (e) of]~~  
27 Section 45.105(e) or former Section 20.48(e) ~~[20.48 of this code]~~

1 in the last dedication before the divestment. In subsequent years,  
2 the tax rate of the junior college district is subject to Section  
3 26.08 [~~26.07~~], Tax Code.

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

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

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

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

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

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

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

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

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

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

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

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

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

25                   (A) the property tax rate;

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

27                   (C) the no-new-revenue [~~effective~~] maintenance

1 and operations tax rate;

2 (D) the rollback tax rate; and

3 (E) the debt rate; and

4 (4) the total amount of municipal debt obligations.

5 SECTION 67. Section [111.008\(d\)](#), Local Government Code, is  
6 amended to read as follows:

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

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

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

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

25 (C) "This budget will raise the same amount of  
26 revenue from property taxes as last year's budget. The property tax  
27 revenue to be raised from new property added to the tax roll this

1 year is (insert amount computed by multiplying the proposed tax  
2 rate by the value of new property added to the roll).";

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

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

8 (A) the property tax rate;

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

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

12 (D) the rollback tax rate; and

13 (E) the debt rate; and

14 (4) the total amount of county debt obligations.

15 SECTION 68. Section [111.039](#)(d), Local Government Code, is  
16 amended to read as follows:

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

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

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

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

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

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

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

18 (A) the property tax rate;

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

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

22 (D) the rollback tax rate; and

23 (E) the debt rate; and

24 (4) the total amount of county debt obligations.

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

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

1 includes:

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

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

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

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

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

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

- 1 (A) the property tax rate;
- 2 (B) the no-new-revenue ~~[effective]~~ tax rate;
- 3 (C) the no-new-revenue ~~[effective]~~ maintenance  
4 and operations tax rate;
- 5 (D) the rollback tax rate; and
- 6 (E) the debt rate; and
- 7 (4) the total amount of county debt obligations.

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

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

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

19 Sec. 1122.2522. ROLLBACK TAX RATE PROVISIONS APPLICABLE.  
20 ~~[(a)]~~ If in any year the board adopts a tax rate that exceeds the  
21 rollback tax rate calculated as provided by Chapter 26, Tax Code,  
22 ~~[the qualified voters of the district by petition may require that]~~  
23 an election under Section 26.08 of that code must be held to  
24 determine whether or not to approve ~~[reduce]~~ the tax rate adopted by  
25 the board for that year ~~[to the rollback tax rate]~~.

26 ~~[(b) To the extent a conflict exists between this section~~  
27 ~~and a provision of the Tax Code, the provision of the Tax Code~~



1 ~~prevails.]~~

2           Sec. 3828.157. INAPPLICABILITY OF CERTAIN TAX CODE  
3 PROVISIONS. Sections [26.04](#), [26.05](#), and [26.08](#) [~~26.07~~], Tax Code, do  
4 not apply to a tax imposed under Section [3828.153](#) or [3828.156](#).

5           Sec. 8876.152. APPLICABILITY OF CERTAIN TAX PROVISIONS.

6 (a) Sections [26.04](#), [26.05](#), [26.06](#), [26.061](#), and [26.08](#) [~~26.07~~], Tax  
7 Code, do not apply to a tax imposed by the district.

8           (b) Sections [49.236](#)(a)(1) and (2) and (b) [~~Section [49.236](#)]~~,  
9 Water Code, apply [~~as added by Chapter 248 (H.B. 1541), Acts of the~~  
10 ~~78th Legislature, Regular Session, 2003, applies]~~ to the district.

11           SECTION 72. Section [49.107](#)(g), Water Code, is amended to  
12 read as follows:

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

17           SECTION 73. Section [49.108](#)(f), Water Code, is amended to  
18 read as follows:

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

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

25           (a) Before the board adopts an ad valorem tax rate for the  
26 district for debt service, operation and maintenance purposes, or  
27 contract purposes, the board shall give notice of each meeting of

1 the board at which the adoption of a tax rate will be considered.

2 The notice must:

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

5 "NOTICE OF PUBLIC HEARING ON TAX RATE

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

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

19 (2) contain the following information:

20 (A) the district's total adopted tax rate for the  
21 preceding year and the proposed tax rate, expressed as an amount per  
22 \$100;

23 (B) the difference, expressed as an amount per  
24 \$100 and as a percent increase or decrease, as applicable, in the  
25 proposed tax rate compared to the adopted tax rate for the preceding  
26 year;

27 (C) the average appraised value of a residence

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;

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

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

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

27 (G) if the proposed combined debt service,

1 operation and maintenance, and contract tax rate exceeds the  
2 rollback tax rate, a description of the purpose of the proposed tax  
3 increase; and

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

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

7 "If operation and maintenance taxes on the average residence  
8 homestead increase by more than eight percent, [~~the qualified~~  
9 ~~voters of the district by petition may require that~~] an election  
10 must be held to determine whether to ratify [~~reduce~~] the operation  
11 and maintenance tax rate [~~to the rollback tax rate~~] under Section  
12 49.236(d), Water Code."

13 (d) If the governing body of a district adopts a combined  
14 debt service, operation and maintenance, and contract tax rate that  
15 exceeds the rollback tax rate, [~~would impose more than 1.08 times~~  
16 ~~the amount of tax imposed by the district in the preceding year on a~~  
17 ~~residence homestead appraised at the average appraised value of a~~  
18 ~~residence homestead in the district in that year, disregarding any~~  
19 ~~homestead exemption available only to disabled persons or persons~~  
20 ~~65 years of age or older, the qualified voters of the district by~~  
21 ~~petition may require that~~] an election must be held to determine  
22 whether [~~or not~~] to ratify [~~reduce~~] the tax rate adopted for the  
23 current year [~~to the rollback tax rate~~] in accordance with the  
24 procedures provided by Sections 26.08(b), (c), and (d)  
25 [~~26.07(b)-(g) and 26.081~~], Tax Code. For purposes of Sections  
26 26.08(b), (c), and (d), Tax Code, [~~26.07(b)-(g)~~] and this section  
27 [~~subsection~~], the rollback tax rate is the sum of the following tax

1 rates:

2           (1) the current year's debt service tax rate;

3           (2) the current year's [~~and~~] contract tax rate; and

4           (3) [~~rates plus~~] the operation and maintenance tax  
5 rate that would impose 1.08 times the amount of the operation and  
6 maintenance tax imposed by the district in the preceding year on a  
7 residence homestead appraised at the average appraised value of a  
8 residence homestead in the district in that year, disregarding any  
9 homestead exemption available only to disabled persons or persons  
10 65 years of age or older.

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

13           (f) The district may provide that payments required by any  
14 of the district's contracts, agreements, or leases may be payable  
15 from the sale of notes, taxes, or bonds, or any combination of  
16 notes, taxes, or bonds, or may be secured by a lien on or a pledge of  
17 any available funds, including proceeds of the district's  
18 maintenance tax, and may be payable subject to annual appropriation  
19 by the district. The district may pledge to impose and may impose a  
20 maintenance tax in an amount sufficient to comply with the  
21 district's obligations under the district's contracts, leases, and  
22 agreements at a maximum aggregate rate not to exceed 10 cents for  
23 each \$100 valuation of taxable property in the district. Sections  
24 26.012, 26.04, 26.05, and 26.08 [~~26.07, and 26.012~~], Tax Code, do  
25 not apply to maintenance taxes levied and collected for payments  
26 under a contract, agreement, lease, time warrant, or maintenance  
27 note issued or executed under this section.

1 SECTION 76. The following provisions are repealed:

2 (1) Sections 403.302(m-1) and (n), Government Code;

3 (2) Section 140.010, Local Government Code;

4 (3) Section 1063.255, Special District Local Laws  
5 Code;

6 (4) Sections 5.103(e) and (f), 6.412(e), 22.23(c),  
7 26.07, 26.08(o), and 41A.06(c), Tax Code;

8 (5) Section 49.236, Water Code, as added by Chapter  
9 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session,  
10 2003; and

11 (6) Section 49.2361, Water Code.

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

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

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

22 SECTION 80. (a) The comptroller of public accounts shall  
23 comply with Sections 5.07(f), (g), (h), and (i), Tax Code, as added  
24 by this Act, as soon as practicable after January 1, 2020.

25 (b) The comptroller of public accounts shall comply with  
26 Section 5.091, Tax Code, as amended by this Act, not later than  
27 January 1, 2021.

1 SECTION 81. The comptroller of public accounts shall  
2 prepare and make available the survey form and instructions for  
3 completing and submitting the form required by Section 5.104, Tax  
4 Code, as added by this Act, as soon as practicable after January 1,  
5 2020. An appraisal district is not required to provide the survey  
6 form or instructions under a requirement of that section until the  
7 form and instructions are prepared and made available by the  
8 comptroller of public accounts.

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

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

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

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

27 SECTION 86. (a) An appraisal district established in a

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

5 (b) An appraisal district established in a county with a  
6 population of less than 120,000 and each taxing unit located wholly  
7 in such an appraisal district shall comply with Sections  
8 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18, Tax Code, as  
9 added by this Act, beginning with the 2022 tax year.

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

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

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

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



1 SECTION 88. A taxing unit that does not own, operate, or  
2 control an Internet website is not required to comply with Sections  
3 26.05(b)(2) and 26.065(b), Tax Code, as amended by this Act, until  
4 the first tax year in which the taxing unit is required by law to  
5 maintain or have access to an Internet website.

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

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

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

25 SECTION 92. Sections 41.46, 41.461, 41.47, 41.66(h), (i),  
26 and (j), and 41.67, Tax Code, as amended by this Act, and Sections  
27 41.66(j-1) and (p), Tax Code, as added by this Act, apply only to a

1 protest for which the notice of protest was filed by a property  
2 owner or the designated agent of the owner with the appraisal review  
3 board established for an appraisal district on or after January 1,  
4 2020.

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

12 SECTION 94. Section 41A.07, Tax Code, as amended by this  
13 Act, applies only to a request for binding arbitration received by  
14 the comptroller of public accounts from an appraisal district on or  
15 after January 1, 2020.

16 SECTION 95. The changes in law made by this Act in the  
17 qualifications of persons serving as arbitrators in binding  
18 arbitrations of appeals of appraisal review board orders do not  
19 affect the entitlement of a person serving as an arbitrator  
20 immediately before January 1, 2020, to continue to serve as an  
21 arbitrator and to conduct hearings on arbitrations until the person  
22 is required to renew the person's agreement with the comptroller of  
23 public accounts to serve as an arbitrator. The changes in law apply  
24 only to a person who initially qualifies to serve as an arbitrator  
25 or who renews the person's agreement with the comptroller of public  
26 accounts to serve as an arbitrator on or after January 1, 2020.  
27 This Act does not prohibit a person who is serving as an arbitrator

1 on January 1, 2020, from renewing the person's agreement with the  
2 comptroller of public accounts to serve as an arbitrator if the  
3 person has the qualifications required for an arbitrator under the  
4 Tax Code as amended by this Act.

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

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

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

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

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

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

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

26 (2) Sections 6.41(b-1), (b-2), and (d-10), Tax Code,  
27 as added by this Act;

- 1           (3) Section 6.414(d), Tax Code, as amended by this  
2 Act;
- 3           (4) Section 6.425, Tax Code, as added by this Act;
- 4           (5) Section 41.44(d), Tax Code, as amended by this  
5 Act;
- 6           (6) Section 41.45(d), Tax Code, as amended by this  
7 Act;
- 8           (7) Sections 41.45(d-1), (d-2), and (d-3), Tax Code,  
9 as added by this Act;
- 10          (8) Section 41.66(k), Tax Code, as amended by this  
11 Act; and
- 12          (9) Section 41.66(k-1), Tax Code, as added by this  
13 Act.
- 14          (c) The following provisions take effect January 1, 2021:
- 15           (1) Sections 25.19(b-3) and (b-4), Tax Code, as added  
16 by this Act;
- 17           (2) Sections 26.04(d-1), (d-2), (d-3), (e-2), (e-3),  
18 (e-4), and (e-5), Tax Code, as added by this Act;
- 19           (3) Sections 26.04(e-1) and (g), Tax Code, as amended  
20 by this Act;
- 21           (4) Sections 26.05(d-1) and (d-2), Tax Code, as added  
22 by this Act; and
- 23           (5) Section 26.05(e), Tax Code, as amended by this  
24 Act.
- 25          (d) Sections 25.19(b) and (i), Tax Code, as amended by this  
26 Act, take effect January 1, 2022.