

By: Shine

H.B. No. 490

A BILL TO BE ENTITLED

AN ACT

relating to the administration of the ad valorem tax system.

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

SECTION 1. 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 division or divisions within the office of the comptroller with primary responsibility for state administration of property taxation and state oversight of appraisal districts. The advisory board may make recommendations to the comptroller regarding improving the effectiveness and efficiency of the property tax system, best practices, and complaint resolution procedures. The comptroller shall post the recommendations of the advisory board on the comptroller's Internet website.

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

(1) representatives of property tax payers, appraisal districts, local tax offices, and school districts; and

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

(c) The members of the advisory board serve at the pleasure

1 of the comptroller.

2 (d) Any advice to the comptroller relating to a matter
3 described by Subsection (a) that is provided by a member of the
4 advisory board must be provided at a meeting called by the
5 comptroller.

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

8 SECTION 2. Section 5.07, Tax Code, is amended by adding
9 Subsections (f), (g), (h), and (i) to read as follows:

10 (f) The comptroller shall prescribe tax rate calculation
11 forms to be used by the designated officer or employee of each
12 taxing unit to calculate and submit the no-new-revenue tax rate and
13 the rollback tax rate for the taxing unit as required by Chapter 26.

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

16 (1) have blanks that can be filled in electronically;
17 (2) be capable of being certified by the designated
18 officer or employee after completion as accurately calculating the
19 applicable tax rates and using values that are the same as the
20 values shown in the taxing unit's certified appraisal roll; and

21 (3) be capable of being submitted electronically to
22 the chief appraiser of each appraisal district in which the taxing
23 unit is located.

24 (h) For purposes of Subsections (f) and (g), the comptroller
25 shall use the forms published on the comptroller's Internet website
26 as of January 1, 2019, modified as necessary to comply with the
27 requirements of those subsections. The forms may be updated, at the

1 discretion of the comptroller acting through the director of the
2 property tax assistance division, to reflect statutory changes that
3 do not substantially change the tax rate calculations provided for
4 by the form or for the purpose of making formatting or other
5 nonsubstantive changes. The director may determine, in the
6 director's discretion, whether a proposed change substantially
7 changes the tax rate calculations provided for by the forms and
8 therefore must be made in the manner provided by Subsection (i).

9 (i) The comptroller may revise the forms to reflect
10 statutory changes that substantially change the tax rate
11 calculations provided for by the forms or on receipt of a request in
12 writing. A revision under this subsection must be approved by the
13 agreement of a majority of the members of a committee selected by
14 the comptroller. The members of the committee must represent,
15 equally, taxpayers and either taxing units or persons designated by
16 taxing units. In the case of a revision for which the comptroller
17 receives a request in writing, the person requesting the revision
18 shall pay the costs of mediation if the comptroller determines that
19 mediation is required.

20 SECTION 3. Section 5.091, Tax Code, is amended to read as
21 follows:

22 Sec. 5.091. STATEWIDE LIST OF TAX RATES. (a) Each year the
23 comptroller shall prepare a list that includes the maintenance and
24 operations rate, the debt rate, and the total tax rate imposed by
25 each taxing unit in this state, as ~~[other than a school district, if~~
26 ~~the tax rate is]~~ reported to the comptroller by each appraisal
27 district, for the year ~~[preceding the year]~~ in which the list is

1 prepared. The comptroller shall:

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

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

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

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

10 (b) Not later than January 1 ~~[December 31]~~ of the following
11 ~~[each]~~ year, the comptroller shall publish on the comptroller's
12 Internet website the list required by Subsection (a). The
13 comptroller shall maintain the list on the comptroller's Internet
14 website until at least the third anniversary of the date the list is
15 required to be published.

16 SECTION 4. Section 5.102(a), Tax Code, is amended to read as
17 follows:

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

SECTION 5. Sections 25.19(b) and (i), Tax Code, are amended to read as follows:

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

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

(2) the appraised value of the property in the preceding year;

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

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

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

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

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

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

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

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

SECTION 6. Section 26.012(9), Tax Code, is redesignated as Section 26.012(18), Tax Code, and amended to read as follows:

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

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

SECTION 7. The heading to Section 26.04, Tax Code, is amended to read as follows:

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

SECTION 8. Section 26.04, Tax Code, is amended by amending Subsections (b), (c), (d), (e), (e-1), (f), (g), (i), and (j) and

1 adding Subsections (d-1), (d-2), (e-2), (e-3), and (e-4) to read as
2 follows:

3 (b) The assessor shall submit the appraisal roll for the
4 taxing unit showing the total appraised, assessed, and taxable
5 values of all property and the total taxable value of new property
6 to the governing body of the taxing unit by August 1 or as soon
7 thereafter as practicable. By August 1 or as soon thereafter as
8 practicable, the taxing unit's collector shall certify [~~an estimate~~
9 ~~of~~] the anticipated collection rate, as defined by Subsection (h),
10 for the current year to the governing body. If the collector
11 certified an anticipated collection rate in the preceding year and
12 the actual collection rate in that year exceeded the anticipated
13 rate, the collector shall also certify the amount of debt taxes
14 collected in excess of the anticipated amount in the preceding
15 year.

16 (c) After the assessor for the taxing unit submits the
17 appraisal roll for the taxing unit to the governing body of the
18 taxing unit as required by Subsection (b), an [~~An~~] officer or
19 employee designated by the governing body shall calculate the
20 no-new-revenue [~~effective~~] tax rate and the rollback tax rate for
21 the taxing unit, where:

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

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

; and

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

$$\text{ROLLBACK TAX RATE} = \frac{(\text{NO-NEW-REVENUE } [\text{EFFECTIVE}] \text{ MAINTENANCE AND OPERATIONS RATE} \times 1.08) + \text{CURRENT DEBT RATE}}{\text{RATE}}$$

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

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

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

(e) By August 7 or as soon thereafter as practicable, the designated officer or employee shall submit the rates to the governing body. The designated officer or employee ~~[He]~~ shall

1 deliver by mail to each property owner in the taxing unit, ~~[or]~~
2 publish in a newspaper, or post prominently on the home page of the
3 taxing unit's Internet website, if applicable, in the form
4 prescribed by the comptroller:

5 (1) the no-new-revenue ~~[effective]~~ tax rate, the
6 rollback tax rate, and an explanation of how they were calculated;

7 (2) the estimated amount of interest and sinking fund
8 balances and the estimated amount of maintenance and operation or
9 general fund balances remaining at the end of the current fiscal
10 year that are not encumbered with or by corresponding existing debt
11 obligation;

12 (3) a schedule of the taxing unit's debt obligations
13 showing:

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

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

27 (C) the total of the amounts listed in Paragraphs

(A)-(B), less any amount collected in excess of the previous year's anticipated collections certified as provided in Subsection (b);

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

(5) a statement that the adoption of a tax rate equal to the no-new-revenue ~~[effective]~~ tax rate would result in an increase or decrease, as applicable, in the amount of taxes imposed by the taxing unit as compared to last year's levy, and the amount of the increase or decrease;

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

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

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

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

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

(A) the amount of property tax revenue spent by

1 the taxing unit to operate the department, function, or activity
2 for which the taxing unit raised the rollback tax rate as required
3 by Subsection (j) for the 12 months preceding the month in which the
4 calculations required by this chapter are made; and

5 (B) the amount published by the taxing unit in
6 the preceding tax year under Subdivision (6)(B).

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

10 (e-2) By August 7 or as soon thereafter as practicable, the
11 chief appraiser of each appraisal district shall deliver by regular
12 mail or e-mail to each owner of property located in the appraisal
13 district a notice that the estimated amount of taxes to be imposed
14 on the owner's property by each taxing unit in which the property is
15 located may be found in the property tax database maintained by the
16 appraisal district under Section 26.17. The notice must include:

17 (1) a statement directing the property owner to an
18 Internet website from which the owner may access information
19 related to the actions taken or proposed to be taken by each taxing
20 unit in which the property is located that may affect the taxes
21 imposed on the owner's property;

22 (2) a statement that the property owner may request
23 from the county assessor-collector for the county in which the
24 property is located or, if the county assessor-collector does not
25 assess taxes for the county, the person who assesses taxes for the
26 county under Section 6.24(b), contact information for the assessor
27 for each taxing unit in which the property is located, who must

1 provide the information described by this subsection to the owner
2 on request; and

3 (3) the name, address, and telephone number of the
4 county assessor-collector for the county in which the property is
5 located or, if the county assessor-collector does not assess taxes
6 for the county, the person who assesses taxes for the county under
7 Section 6.24(b).

8 (e-3) The statement described by Subsection (e-2)(1) must
9 include a heading that is in bold, capital letters in type larger
10 than that used in the other provisions of the notice.

11 (e-4) The comptroller:

12 (1) with the advice of the property tax administration
13 advisory board, shall adopt rules prescribing the form of the
14 notice required by Subsection (e-2); and

15 (2) may adopt rules regarding the format and delivery
16 of the notice.

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

22 (g) A person who owns taxable property is entitled to an
23 injunction prohibiting the taxing unit in which the property is
24 taxable from adopting a tax rate if the assessor or designated
25 officer or employee of the taxing unit, the chief appraiser of the
26 applicable appraisal district, or the taxing unit, as applicable,
27 has not complied with the computation, ~~[or]~~ publication, or posting

1 requirements of this section or Section 26.17 or 26.18 [~~and the~~
2 ~~failure to comply was not in good faith~~]. It is a defense in an
3 action for an injunction under this subsection that the failure to
4 comply was in good faith.

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

1 spent in the last full fiscal year in which the taxing unit operated
2 the discontinued department, function, or activity.

3 (j) This subsection applies to a taxing unit that had agreed
4 by written contract to accept the transfer of a distinct
5 department, function, or activity from another taxing unit and
6 operates a distinct department, function, or activity if the
7 operation of a substantially similar department, function, or
8 activity in all or a majority of the territory of the taxing unit
9 has been discontinued by another taxing unit, including a dissolved
10 taxing unit. The rollback tax rate of a taxing unit to which this
11 subsection applies in the first tax year after the other taxing unit
12 discontinued the substantially similar department, function, or
13 activity in which a budget is adopted that allocates revenue to the
14 department, function, or activity is calculated as otherwise
15 provided by this section, except that last year's levy used to
16 calculate the no-new-revenue [~~effective~~] maintenance and
17 operations rate of the taxing unit is increased by the amount of
18 maintenance and operations tax revenue spent by the taxing unit
19 that discontinued operating the substantially similar department,
20 function, or activity to operate that department, function, or
21 activity for the 12 months preceding the month in which the
22 calculations required by this chapter are made and in which the
23 taxing unit operated the discontinued department, function, or
24 activity. If the taxing unit did not operate the discontinued
25 department, function, or activity for the full 12 months preceding
26 the month in which the calculations required by this chapter are
27 made, the taxing unit may increase last year's levy used to

1 calculate the no-new-revenue [~~effective~~] maintenance and
 2 operations rate by an amount not to exceed the amount of property
 3 tax revenue spent by the discontinuing taxing unit to operate the
 4 discontinued department, function, or activity in the last full
 5 fiscal year in which the discontinuing taxing unit operated the
 6 department, function, or activity.

7 SECTION 9. Sections 26.041(a), (b), (c), (e), (g), and (h),
 8 Tax Code, are amended to read as follows:

9 (a) In the first year in which an additional sales and use
 10 tax is required to be collected, the no-new-revenue [~~effective~~] tax
 11 rate and rollback tax rate for the taxing unit are calculated
 12 according to the 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 GAIN RATE

16 and

17 ROLLBACK TAX RATE = (NO-NEW-REVENUE [~~EFFECTIVE~~]
 18 MAINTENANCE AND OPERATIONS RATE x 1.08) + CURRENT DEBT
 19 RATE - SALES TAX GAIN RATE

20 where "sales tax gain rate" means a number expressed in dollars per
 21 \$100 of taxable value, calculated by dividing the revenue that will
 22 be generated by the additional sales and use tax in the following
 23 year as calculated under Subsection (d) [~~of this section~~] by the
 24 current total value.

25 (b) Except as provided by Subsections (a) and (c) [~~of this~~
 26 ~~section~~], in a year in which a taxing unit imposes an additional
 27 sales and use tax, the rollback tax rate for the taxing unit is

calculated according to the following formula, regardless of whether the taxing unit levied a property tax in the preceding year:

$$\text{ROLLBACK } \underline{\text{TAX}} \text{ RATE} = [(\text{LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE} \times 1.08) / ((\text{TOTAL}] \text{ CURRENT } \underline{\text{TOTAL}} \text{ VALUE} - \text{NEW PROPERTY VALUE})) + (\text{CURRENT DEBT RATE} - \text{SALES TAX REVENUE RATE})$$

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

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

$$\underline{\text{NO-NEW-REVENUE}} \text{ } [\underline{\text{EFFECTIVE}}] \text{ TAX RATE} = [(\text{LAST YEAR'S LEVY} - \text{LOST PROPERTY LEVY}) / (\text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE})) + \text{SALES TAX LOSS RATE}]$$

and

$$\text{ROLLBACK TAX RATE} = [(\text{LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE} \times 1.08) / ((\text{TOTAL}] \text{ CURRENT } \underline{\text{TOTAL}} \text{ VALUE} - \text{NEW PROPERTY VALUE})) + \text{CURRENT DEBT RATE}]$$

where "sales tax loss rate" means a number expressed in dollars per

1 \$100 of taxable value, calculated by dividing the amount of sales
2 and use tax revenue generated in the last four quarters for which
3 the information is available by the current total value and "last
4 year's maintenance and operations expense" means the amount spent
5 for maintenance and operations from property tax and additional
6 sales and use tax revenues in the preceding year.

7 (e) If a city that imposes an additional sales and use tax
8 receives payments under the terms of a contract executed before
9 January 1, 1986, in which the city agrees not to annex certain
10 property or a certain area and the owners or lessees of the property
11 or of property in the area agree to pay at least annually to the city
12 an amount determined by reference to all or a percentage of the
13 property tax rate of the city and all or a part of the value of the
14 property subject to the agreement or included in the area subject to
15 the agreement, the governing body, by order adopted by a majority
16 vote of the governing body, may direct the designated officer or
17 employee to add to the no-new-revenue ~~[effective]~~ and rollback tax
18 rates the amount that, when applied to the total taxable value
19 submitted to the governing body, would produce an amount of taxes
20 equal to the difference between the total amount of payments for the
21 tax year under contracts described by this subsection under the
22 rollback tax rate calculated under this section and the total
23 amount of payments for the tax year that would have been obligated
24 to the city if the city had not adopted an additional sales and use
25 tax.

26 (g) If the rate of the additional sales and use tax is
27 increased, the designated officer or employee shall make two

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

17 (h) If the rate of the additional sales and use tax is
18 decreased, the designated officer or employee shall make two
19 projections, in the manner provided by Subsection (d) [~~of this~~
20 ~~section~~], of the revenue generated by the additional sales and use
21 tax in the following year. The first projection must take into
22 account the decrease and the second projection must not take into
23 account the decrease. The designated officer or employee shall
24 then subtract the amount of the result of the first projection from
25 the amount of the result of the second projection to determine the
26 revenue lost as a result of the decrease in the additional sales and
27 use tax. In the first year in which an additional sales and use tax

1 is decreased, the no-new-revenue ~~[effective]~~ tax rate for the
2 taxing unit is the no-new-revenue ~~[effective]~~ tax rate before the
3 decrease plus a number the numerator of which is the revenue lost as
4 a result of the decrease in the additional sales and use tax, as
5 determined under this subsection, and the denominator of which is
6 the current total value minus the new property value.

7 SECTION 10. The heading to Section 26.043, Tax Code, is
8 amended to read as follows:

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

11 SECTION 11. Sections 26.043(a) and (b), Tax Code, are
12 amended to read as follows:

13 (a) In the tax year in which a city has set an election on
14 the question of whether to impose a local sales and use tax under
15 Subchapter H, Chapter 453, Transportation Code, the officer or
16 employee designated to make the calculations provided by Section
17 26.04 may not make those calculations until the outcome of the
18 election is determined. If the election is determined in favor of
19 the imposition of the tax, the designated officer or employee
20 ~~[representative]~~ shall subtract from the city's rollback and
21 no-new-revenue ~~[effective]~~ tax rates the amount that, if applied to
22 the city's current total value, would impose an amount equal to the
23 amount of property taxes budgeted in the current tax year to pay for
24 expenses related to mass transit services.

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

1 section.

2 SECTION 12. The heading to Section 26.044, Tax Code, is
3 amended to read as follows:

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

6 SECTION 13. Sections 26.044(a), (b), and (c), Tax Code, are
7 amended to read as follows:

8 (a) The first time that a county adopts a tax rate after
9 September 1, 1991, in which the state criminal justice mandate
10 applies to the county, the no-new-revenue ~~[effective]~~ maintenance
11 and operation rate for the county is increased by the rate
12 calculated according to the following formula:

13 (State Criminal Justice Mandate) / (Current Total
14 Value - New Property Value)

15 (b) In the second and subsequent years that a county adopts
16 a tax rate, if the amount spent by the county for the state criminal
17 justice mandate increased over the previous year, the
18 no-new-revenue ~~[effective]~~ maintenance and operation rate for the
19 county is increased by the rate calculated according to the
20 following formula:

21 (This Year's State Criminal Justice Mandate - Previous
22 Year's State Criminal Justice Mandate) / (Current
23 Total Value - New Property Value)

24 (c) The county shall include a notice of the increase in the
25 no-new-revenue ~~[effective]~~ maintenance and operation rate provided
26 by this section, including a description and amount of the state
27 criminal justice mandate, in the information published under

Section 26.04(e) and Section 26.06(b) [~~of this code~~].

SECTION 14. Sections 26.0441(a), (b), and (c), Tax Code, are amended to read as follows:

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

$$\text{Amount of Increase} = \frac{\text{Enhanced Indigent Health Care Expenditures}}{(\text{Current Total Value} - \text{New Property Value})}$$

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

$$\text{Amount of Increase} = \frac{(\text{Current Tax Year's Enhanced Indigent Health Care Expenditures} - \text{Preceding Tax Year's Indigent Health Care Expenditures})}{(\text{Current Total Value} - \text{New Property Value})}$$

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

1 Section 26.06(b).

2 SECTION 15. Section 26.05, Tax Code, is amended by amending
3 Subsections (b), (c), (d), (e), and (g) and adding Subsections
4 (d-1) and (d-2) to read as follows:

5 (b) A taxing unit may not impose property taxes in any year
6 until the governing body has adopted a tax rate for that year, and
7 the annual tax rate must be set by ordinance, resolution, or order,
8 depending on the method prescribed by law for adoption of a law by
9 the governing body. The vote on the ordinance, resolution, or order
10 setting the tax rate must be separate from the vote adopting the
11 budget. For a taxing unit other than a school district, the vote on
12 the ordinance, resolution, or order setting a tax rate that exceeds
13 the no-new-revenue ~~[effective]~~ tax rate must be a record vote, and
14 at least 60 percent of the members of the governing body must vote
15 in favor of the ordinance, resolution, or order. For a school
16 district, the vote on the ordinance, resolution, or order setting a
17 tax rate that exceeds the sum of the no-new-revenue ~~[effective]~~
18 maintenance and operations tax rate of the district as determined
19 under Section 26.08(i) and the district's current debt rate must be
20 a record vote, and at least 60 percent of the members of the
21 governing body must vote in favor of the ordinance, resolution, or
22 order. A motion to adopt an ordinance, resolution, or order setting
23 a tax rate that exceeds the no-new-revenue ~~[effective]~~ tax rate
24 must be made in the following form: "I move that the property tax
25 rate be increased by the adoption of a tax rate of (specify tax
26 rate), which is effectively a (insert percentage by which the
27 proposed tax rate exceeds the no-new-revenue ~~[effective]~~ tax rate)

1 percent increase in the tax rate." If the ordinance, resolution, or
2 order sets a tax rate that, if applied to the total taxable value,
3 will impose an amount of taxes to fund maintenance and operation
4 expenditures of the taxing unit that exceeds the amount of taxes
5 imposed for that purpose in the preceding year, the taxing unit
6 must:

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

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

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

19 (2) include on the home page of any Internet website
20 operated by the taxing unit:

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

24 (B) if the tax rate exceeds the no-new-revenue
25 ~~[effective]~~ maintenance and operations rate, the following
26 statement: "THE TAX RATE WILL EFFECTIVELY BE RAISED BY (INSERT
27 PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE NO-NEW-REVENUE

[~~EFFECTIVE~~] MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$(Insert amount)."

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

(d) The governing body of a taxing unit other than a school district may not adopt a tax rate that exceeds the lower of the rollback tax rate or the no-new-revenue [~~effective~~] tax rate calculated as provided by this chapter until the governing body has held two public hearings on the proposed tax rate and has otherwise complied with Section 26.06 and Section 26.065. The governing body of a taxing unit shall reduce a tax rate set by law or by vote of the electorate to the lower of the rollback tax rate or the no-new-revenue [~~effective~~] tax rate and may not adopt a higher rate unless it first complies with Section 26.06.

(d-1) The governing body of a taxing unit other than a school district may not hold a public hearing on a proposed tax rate or a public meeting to adopt a tax rate until the seventh day after the date the chief appraiser of each appraisal district in which the

1 taxing unit participates has:

2 (1) delivered the notice required by Section
3 26.04(e-2); and

4 (2) complied with Section 26.17(e).

5 (d-2) Notwithstanding Subsection (a), the governing body of
6 a taxing unit other than a school district may not adopt a tax rate
7 until the chief appraiser of each appraisal district in which the
8 taxing unit participates has complied with Subsection (d-1).

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

27 (g) Notwithstanding Subsection (a), the governing body of a

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

12 SECTION 16. Sections 26.052(c) and (e), Tax Code, are
13 amended to read as follows:

14 (c) A taxing unit to which this section applies may provide
15 public notice of its proposed tax rate in one ~~[either]~~ of the
16 following methods not later than the seventh day before the date on
17 which the tax rate is adopted:

18 (1) mailing a notice of the proposed tax rate to each
19 owner of taxable property in the taxing unit; ~~[or]~~

20 (2) publishing notice of the proposed tax rate in the
21 legal notices section of a newspaper having general circulation in
22 the taxing unit; or

23 (3) posting notice of the proposed tax rate
24 prominently on the home page of the Internet website maintained by
25 the taxing unit, if applicable.

26 (e) Public notice provided under Subsection (c) must
27 specify:

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

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

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

SECTION 17. Sections 26.06(b), (c), (d), and (e), Tax Code, are amended to read as follows:

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

"NOTICE OF PUBLIC HEARING ON TAX INCREASE

"The (name of the taxing unit) will hold two public hearings on a proposal to increase total tax revenues from properties on the tax roll in the preceding tax year by (percentage by which proposed tax rate exceeds lower of rollback tax rate or no-new-revenue ~~[effective]~~ tax rate calculated under this chapter) percent. Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the tax rate that is adopted and on 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~~]. The change in the taxable value of your property in
3 relation to the change in the taxable value of all other property
4 determines the distribution of the tax burden among all property
5 owners.

6 "The first public hearing will be held on (date and time) at
7 (meeting place).

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

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

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

24 "The average taxable value of a residence homestead in (name
25 of taxing unit) this year is \$____ (average taxable value of a
26 residence homestead in the taxing unit for the current tax year,
27 disregarding residence homestead exemptions available only to

disabled persons or persons 65 years of age or older). If the governing body adopts the no-new-revenue ~~[effective]~~ tax rate for this year of \$____ (no-new-revenue ~~[effective]~~ tax rate) per \$100 of taxable value, the amount of taxes imposed this year on the average home would be \$____ (tax on average taxable value of a residence homestead in the taxing unit for the current tax year, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older).

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

"Members of the public are encouraged to attend the hearings and express their views."

(c) The notice of a public hearing under this section may be delivered by mail to each property owner in the taxing unit, ~~[or may be]~~ published in a newspaper, or posted prominently on the home page of the Internet website operated by the taxing unit, if applicable. If the notice is published in a newspaper, it may not be in the part of the paper in which legal notices and classified advertisements appear. If the taxing unit posts the notice on ~~[operates]~~ an Internet website operated by the taxing unit, the notice must be posted on the website from the date the notice is first posted ~~[published]~~ until the second public hearing is concluded.

(d) At the public hearings the governing body shall announce

1 the date, time, and place of the meeting at which it will vote on the
2 proposed tax rate. After each hearing the governing body shall give
3 notice of the meeting at which it will vote on the proposed tax rate
4 and the notice shall be in the same form as prescribed by
5 Subsections (b) and (c), except that it must state the following:

6 "NOTICE OF TAX REVENUE INCREASE

7 "The (name of the taxing unit) conducted public hearings on
8 (date of first hearing) and (date of second hearing) on a proposal
9 to increase the total tax revenues of the (name of the taxing unit)
10 from properties on the tax roll in the preceding year by (percentage
11 by which proposed tax rate exceeds lower of rollback tax rate or
12 no-new-revenue [~~effective~~] tax rate calculated under this chapter)
13 percent.

14 "The total tax revenue proposed to be raised last year at last
15 year's tax rate of (insert tax rate for the preceding year) for each
16 \$100 of taxable value was (insert total amount of taxes imposed in
17 the preceding year).

18 "The total tax revenue proposed to be raised this year at the
19 proposed tax rate of (insert proposed tax rate) for each \$100 of
20 taxable value, excluding tax revenue to be raised from new property
21 added to the tax roll this year, is (insert amount computed by
22 multiplying proposed tax rate by the difference between current
23 total value and new property value).

24 "The total tax revenue proposed to be raised this year at the
25 proposed tax rate of (insert proposed tax rate) for each \$100 of
26 taxable value, including tax revenue to be raised from new property
27 added to the tax roll this year, is (insert amount computed by

1 multiplying proposed tax rate by current total value).

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

6 "The (governing body of the taxing unit) proposes to use the
7 increase in total tax revenue for the purpose of (description of
8 purpose of increase)."

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

20 SECTION 18. Section 26.065(b), Tax Code, is amended to read
21 as follows:

22 (b) If the taxing unit owns, operates, or controls an
23 Internet website, the taxing unit shall post notice of the public
24 hearing prominently on the home page of the website continuously
25 for at least seven days immediately before the public hearing on the
26 proposed tax rate increase and at least seven days immediately
27 before the date of the vote proposing the increase in the tax rate.

SECTION 19. Sections 26.08(g), (i), (n), and (p), Tax Code, are amended to read as follows:

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

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

(n) For purposes of this section, the rollback tax rate of a school district whose maintenance and operations tax rate for the 2005 tax year was \$1.50 or less per \$100 of taxable value is:

(1) for the 2006 tax year, the sum of the rate that is equal to 88.67 percent of the maintenance and operations tax rate adopted by the district for the 2005 tax year, the rate of \$0.04 per \$100 of taxable value, and the district's current debt rate; and

(2) for the 2007 and subsequent tax years, the lesser of the following:

(A) the sum of the following:

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

(ii) the rate of \$0.04 per \$100 of taxable value;

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

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

(B) the sum of the following:

(i) the no-new-revenue ~~[effective]~~ maintenance and operations tax rate of the district as computed under Subsection (i) ~~[or (k), as applicable]~~;

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

(iii) the district's current debt rate.

(p) Notwithstanding Subsections (i), (n), and (o), if for the preceding tax year a school district adopted a maintenance and operations tax rate that was less than the district's

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

7 SECTION 20. Section 26.16, Tax Code, is amended by amending
8 Subsections (a) and (d) and adding Subsection (a-1) to read as
9 follows:

10 (a) The county assessor-collector for each county that
11 maintains an Internet website shall post on the website of the
12 county the following information for the most recent five tax years
13 ~~[beginning with the 2012 tax year]~~ for each taxing unit all or part
14 of the territory of which is located in the county:

- 15 (1) the adopted tax rate;
- 16 (2) the maintenance and operations rate;
- 17 (3) the debt rate;
- 18 (4) the no-new-revenue ~~[effective]~~ tax rate;
- 19 (5) the no-new-revenue ~~[effective]~~ maintenance and
20 operations rate; and
- 21 (6) the rollback tax rate.

22 (a-1) For purposes of Subsection (a), a reference to the
23 no-new-revenue tax rate or the no-new-revenue maintenance and
24 operations rate includes the equivalent effective tax rate or
25 effective maintenance and operations rate for a preceding year.
26 This subsection expires January 1, 2026.

27 (d) The county assessor-collector shall post immediately

1 below the table prescribed by Subsection (c) the following
2 statement:

3 "The county is providing this table of property tax rate
4 information as a service to the residents of the county. Each
5 individual taxing unit is responsible for calculating the property
6 tax rates listed in this table pertaining to that taxing unit and
7 providing that information to the county.

8 "The adopted tax rate is the tax rate adopted by the governing
9 body of a taxing unit.

10 "The maintenance and operations rate is the component of the
11 adopted tax rate of a taxing unit that will impose the amount of
12 taxes needed to fund maintenance and operation expenditures of the
13 taxing unit for the following year.

14 "The debt rate is the component of the adopted tax rate of a
15 taxing unit that will impose the amount of taxes needed to fund the
16 taxing unit's debt service for the following year.

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

22 "The no-new-revenue [~~effective~~] maintenance and operations
23 rate is the tax rate that would generate the same amount of revenue
24 for maintenance and operations in the current tax year as was
25 generated by a taxing unit's maintenance and operations rate in the
26 preceding tax year from property that is taxable in both the current
27 tax year and the preceding tax year.

"The rollback tax rate is the highest tax rate a taxing unit may adopt before requiring voter approval at an election. In the case of a taxing unit other than a school district, the voters by petition may require that a rollback election be held if the taxing unit adopts a tax rate in excess of the taxing unit's rollback tax rate. In the case of a school district, an election will automatically be held if the district wishes to adopt a tax rate in excess of the district's rollback tax rate."

SECTION 21. Chapter 26, Tax Code, is amended by adding Sections 26.17 and 26.18 to read as follows:

Sec. 26.17. DATABASE OF PROPERTY-TAX-RELATED INFORMATION.

(a) The chief appraiser of each appraisal district shall create and maintain a property tax database that:

(1) is identified by the name of the county in which the appraisal district is established instead of the name of the appraisal district;

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

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

(4) is accessible to the public; and

(5) is searchable by property address and owner, except to the extent that access to the information in the database is restricted by Section 25.025 or 25.026.

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

3 (1) the property's identification number;

4 (2) the property's market value;

5 (3) the property's taxable value;

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

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

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

11 (B) the rollback tax rate;

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

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

district adopted a tax rate equal to:

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

(B) the proposed tax rate;

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

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

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

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

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

(c) The database must provide a link to the Internet website used by each taxing unit in which the property is located to post the information described by Section 26.18.

1 (d) The officer or employee designated by the governing body
2 of each taxing unit in which the property is located to calculate
3 the no-new-revenue tax rate and the rollback tax rate for the taxing
4 unit must electronically incorporate into the database:

5 (1) the information described by Subsections (b)(5),
6 (6), (7), (12), and (13), as applicable, as the information becomes
7 available; and

8 (2) the tax rate calculation forms prepared under
9 Section 26.04(d-1) at the same time the designated officer or
10 employee submits the tax rates to the governing body of the taxing
11 unit under Section 26.04(e).

12 (e) The chief appraiser shall make the information
13 described by Subsection (d)(1) and the tax rate calculation forms
14 described by Subsection (d)(2) available to the public not later
15 than the third business day after the date the information and forms
16 are incorporated into the database.

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

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

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

27 (3) the official contact information for each member

of the governing body of the taxing unit, if that information is different from the information described by Subdivision (2);

(4) the taxing unit's budget for the preceding two years;

(5) the taxing unit's proposed or adopted budget for the current year;

(6) the change in the amount of the taxing unit's budget from the preceding year to the current year, by dollar amount and percentage;

(7) in the case of a taxing unit other than a school district, the amount of property tax revenue budgeted for maintenance and operations for:

(A) the preceding two years; and

(B) the current year;

(8) in the case of a taxing unit other than a school district, the amount of property tax revenue budgeted for debt service for:

(A) the preceding two years; and

(B) the current year;

(9) the tax rate for maintenance and operations adopted by the taxing unit for the preceding two years;

(10) in the case of a taxing unit other than a school district, the tax rate for debt service adopted by the taxing unit for the preceding two years;

(11) in the case of a school district, the interest and sinking fund tax rate adopted by the district for the preceding two years;

1 (12) the tax rate for maintenance and operations
2 proposed by the taxing unit for the current year;

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

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

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

11 SECTION 22. Section 45.105(e), Education Code, is amended
12 to read as follows:

13 (e) The governing body of an independent school district
14 that governs a junior college district under Subchapter B, Chapter
15 130, in a county with a population of more than two million may
16 dedicate a specific percentage of the local tax levy to the use of
17 the junior college district for facilities and equipment or for the
18 maintenance and operating expenses of the junior college district.
19 To be effective, the dedication must be made by the governing body
20 on or before the date on which the governing body adopts its tax
21 rate for a year. The amount of local tax funds derived from the
22 percentage of the local tax levy dedicated to a junior college
23 district from a tax levy may not exceed the amount that would be
24 levied by five percent of the no-new-revenue ~~[effective]~~ tax rate
25 for the tax year calculated as provided by Section 26.04, Tax Code,
26 on all property taxable by the school district. All real property
27 purchased with these funds is the property of the school district,

1 but is subject to the exclusive control of the governing body of the
2 junior college district for as long as the junior college district
3 uses the property for educational purposes.

4 SECTION 23. Section 130.016(b), Education Code, is amended
5 to read as follows:

6 (b) If the board of trustees of an independent school
7 district that divests itself of the management, control, and
8 operation of a junior college district under this section or under
9 Section 130.017 ~~[of this code]~~ was authorized by ~~[Subsection (e)~~
10 ~~of]~~ Section 45.105(e) or under former Section 20.48(e) ~~[20.48 of~~
11 ~~this code]~~ to dedicate a portion of its tax levy to the junior
12 college district before the divestment, the junior college district
13 may levy an ad valorem tax from and after the divestment. In the
14 first two years in which the junior college district levies an ad
15 valorem tax, the tax rate adopted by the governing body may not
16 exceed the rate that, if applied to the total taxable value
17 submitted to the governing body under Section 26.04, Tax Code,
18 would impose an amount equal to the amount of taxes of the school
19 district dedicated to the junior college under ~~[Subsection (e) of]~~
20 Section 45.105(e) or former Section 20.48(e) ~~[20.48 of this code]~~
21 in the last dedication before the divestment. In subsequent years,
22 the tax rate of the junior college district is subject to Section
23 26.07, Tax Code.

24 SECTION 24. Section 403.302(o), Government Code, is amended
25 to read as follows:

26 (o) The comptroller shall adopt rules governing the conduct
27 of the study after consultation with the comptroller's property tax

1 administration advisory board [~~Comptroller's Property Value Study~~
2 ~~Advisory Committee~~].

3 SECTION 25. Section 102.007(d), Local Government Code, is
4 amended to read as follows:

5 (d) An adopted budget must contain a cover page that
6 includes:

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

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

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

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

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

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

6 (A) the property tax rate;

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

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

10 (D) the rollback tax rate; and

11 (E) the debt rate; and

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

13 SECTION 26. Section 111.008(d), Local Government Code, is
14 amended to read as follows:

15 (d) An adopted budget must contain a cover page that
16 includes:

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

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

26 (B) "This budget will raise less revenue from
27 property taxes than last year's budget by an amount of (insert total

dollar amount of decrease), which is a (insert percentage decrease) percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll)."; or

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

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

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

(A) the property tax rate;

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

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

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of county debt obligations.

SECTION 27. Section 111.039(d), Local Government Code, is amended to read as follows:

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

(1) one of the following statements in 18-point or

1 larger type that accurately describes the adopted budget:

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

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

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

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

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

26 (A) the property tax rate;

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

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

(D) the rollback tax rate; and

(E) the debt rate; and

(4) the total amount of county debt obligations.

SECTION 28. Section 111.068(c), Local Government Code, is amended to read as follows:

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

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

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

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

(C) "This budget will raise the same amount of revenue from property taxes as last year's budget. The property

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

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

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

9 (A) the property tax rate;

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

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

13 (D) the rollback tax rate; and

14 (E) the debt rate; and

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

16 SECTION 29. Sections [140.010](#)(a), (d), (e), and (f), Local
17 Government Code, are amended to read as follows:

18 (a) In this section, "no-new-revenue ~~[effective]~~ tax rate"
19 and "rollback tax rate" mean the no-new-revenue ~~[effective]~~ tax
20 rate and rollback tax rate of a county or municipality, as
21 applicable, as calculated under Chapter [26](#), Tax Code.

22 (d) A county or municipality that proposes a property tax
23 rate that does not exceed the lower of the no-new-revenue
24 ~~[effective]~~ tax rate or the rollback tax rate shall provide the
25 following notice:

26 "NOTICE OF (INSERT CURRENT TAX YEAR) TAX YEAR PROPOSED PROPERTY TAX
27 RATE FOR (INSERT NAME OF COUNTY OR MUNICIPALITY)

"A tax rate of \$_____ per \$100 valuation has been proposed by the governing body of (insert name of county or municipality).

PROPOSED TAX RATE \$_____ per \$100

PRECEDING YEAR'S TAX RATE \$_____ per \$100

NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE \$_____ per \$100

"The no-new-revenue [~~effective~~] tax rate is the total tax rate needed to raise the same amount of property tax revenue for (insert name of county or municipality) from the same properties in both the (insert preceding tax year) tax year and the (insert current tax year) tax year.

"YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS

FOLLOWS:

property tax amount = (rate) x (taxable value of your property) /
100

"For assistance or detailed information about tax calculations, please contact:

(insert name of county or municipal tax assessor-collector)

(insert name of county or municipality) tax
assessor-collector

(insert address)

(insert telephone number)

(insert e-mail address)

(insert Internet website address, if applicable)"

(e) A county or municipality that proposes a property tax rate that exceeds the lower of the no-new-revenue [~~effective~~] tax rate or the rollback tax rate shall provide the following notice:

"NOTICE OF (INSERT CURRENT TAX YEAR) TAX YEAR PROPOSED PROPERTY TAX

RATE FOR (INSERT NAME OF COUNTY OR MUNICIPALITY)

"A tax rate of \$_____ per \$100 valuation has been proposed for adoption by the governing body of (insert name of county or municipality). This rate exceeds the lower of the no-new-revenue [~~effective~~] or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate. The governing body of (insert name of county or municipality) proposes to use revenue attributable to the tax rate increase for the purpose of (description of purpose of increase).

PROPOSED TAX RATE \$_____ per \$100

PRECEDING YEAR'S TAX RATE \$_____ per \$100

NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE \$_____ per \$100

ROLLBACK TAX RATE \$_____ per \$100

"The no-new-revenue [~~effective~~] tax rate is the total tax rate needed to raise the same amount of property tax revenue for (insert name of county or municipality) from the same properties in both the (insert preceding tax year) tax year and the (insert current tax year) tax year.

"The rollback tax rate is the highest tax rate that (insert name of county or municipality) may adopt before the voters are entitled to petition for an election to limit the rate that may be approved to the rollback tax rate.

"YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS

FOLLOWS :

$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) / 100$$

"For assistance or detailed information about tax calculations,

1 please contact:

2 (insert name of county or municipal tax assessor-collector)

3 (insert name of county or municipality) tax
4 assessor-collector

5 (insert address)

6 (insert telephone number)

7 (insert e-mail address)

8 (insert Internet website address, if applicable)

9 "You are urged to attend and express your views at the following
10 public hearings on the proposed tax rate:

11 First Hearing: (insert date and time) at (insert location of
12 meeting).

13 Second Hearing: (insert date and time) at (insert location
14 of meeting)."

15 (f) A county or municipality shall~~+~~

16 ~~[(1)]~~ provide the notice required by Subsection (d) or
17 (e), as applicable, not later than the later of September 1 or the
18 30th day after the first date that the taxing unit has received each
19 applicable certified appraisal roll by:

20 (1) ~~[(A)]~~ publishing the notice in a newspaper having
21 general circulation in:

22 (A) ~~[(i)]~~ the county, in the case of notice
23 published by a county; or

24 (B) ~~[(ii)]~~ the county in which the municipality
25 is located or primarily located, in the case of notice published by
26 a municipality; ~~[or]~~

27 (2) ~~[(B)]~~ mailing the notice to each property owner

1 in:

2 (A) [~~(i)~~] the county, in the case of notice
3 provided by a county; or

4 (B) [~~(ii)~~] the municipality, in the case of
5 notice provided by a municipality; or [~~and~~]

6 (3) posting [~~(2) post~~] the notice prominently on the
7 home page of the Internet website of the county or municipality, if
8 applicable, beginning not later than the later of September 1 or the
9 30th day after the first date that the taxing unit has received each
10 applicable certified appraisal roll and continuing until the county
11 or municipality adopts a tax rate.

12 SECTION 30. Sections 403.302(m-1) and (n), Government Code,
13 are repealed.

14 SECTION 31. The comptroller shall comply with Sections
15 5.07(f), (g), (h), and (i), Tax Code, as added by this Act, as soon
16 as practicable after January 1, 2020, but not later than April 30,
17 2020.

18 SECTION 32. A person is entitled to an injunction under
19 Section 26.04(g), Tax Code, as amended by this Act, for failure to
20 comply with the requirements of Section 26.17(c) or 26.18, Tax
21 Code, as added by this Act, beginning with the 2021 tax year.

22 SECTION 33. Each appraisal district and taxing unit shall
23 comply with Sections 26.17(c) and 26.18, Tax Code, as added by this
24 Act, beginning with the 2021 tax year.

25 SECTION 34. (a) Except as otherwise provided by this Act,
26 this Act takes effect January 1, 2020.

27 (b) The following provisions take effect January 1, 2021:

- 1 (1) Sections 25.19(b) and (i), Tax Code, as amended by
2 this Act; and
- 3 (2) Section 26.18, Tax Code, as added by this Act.