



FLOOR AMENDMENT NO. _____

BY: D. Bonnen

Amend S.B. No. 1 on third reading as follows:

(1) Add the following appropriately numbered SECTIONS to the bill:

SECTION _____. This Act may be cited as the Property Tax Payer Empowerment Act of 2017.

SECTION _____. 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 _____. 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 and local tax offices. The advisory board may make recommendations to the comptroller regarding improving the effectiveness and efficiency

1 of the property tax system, best practices, and complaint
2 resolution procedures. In addition, the advisory board may
3 identify inconsistent or contradictory provisions of this title
4 that result in inconsistent administration of property taxation,
5 and the comptroller shall notify the legislature before the next
6 legislative session of any such findings made by the advisory
7 board. The comptroller shall post the recommendations of the
8 advisory board on the comptroller's Internet website.

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

12 (1) representatives of property tax payers, appraisal
13 districts, and school districts and other taxing units; and

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

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

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

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

24 SECTION _____. Sections 5.041(b), (c), (e-1), and (e-3), Tax
25 Code, are amended to read as follows:

26 (b) A member of the appraisal review board established for
27 an appraisal district must complete the course established under
28 Subsection (a). The course must provide at least eight hours of
29 classroom training and education. A member of the appraisal review
30 board may not participate in a hearing conducted by the board unless
31 the person has completed the course established under Subsection

1 (a) and received a certificate of course completion.

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

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

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

21 (2) the appraisal of business personal property;

22 (3) the determination of capitalization rates for
23 property appraisal purposes;

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

25 (5) the requirements regarding the independence of an
26 appraisal review board from the board of directors and the chief
27 appraiser and other employees of the appraisal district;

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

30 (7) the Uniform Standards of Professional Appraisal
31 Practice;

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

3 (9) the requirements regarding the equal and uniform
4 appraisal of property;

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

7 (11) a detailed explanation of each of the actions
8 described by Sections 25.25, 41.41(a), 41.411, 41.412, 41.413,
9 41.42, and 41.43 so that members are fully aware of each of the
10 grounds on which a property appraisal can be appealed.

11 (e-3) The comptroller may contract with service providers
12 to assist with the duties imposed under Subsection (e-1), but the
13 course required by that subsection may not be provided by an
14 appraisal district, the chief appraiser or another employee of an
15 appraisal district, a member of the board of directors of an
16 appraisal district, a member of an appraisal review board, or a
17 taxing unit. The comptroller may assess a fee to recover a portion
18 of the costs incurred for the continuing education course, but the
19 fee may not exceed \$50 for each person trained. If the training is
20 provided to an individual other than a member of an appraisal review
21 board, the comptroller may assess a fee not to exceed \$50 per person
22 trained.

23 SECTION _____. Chapter 5, Tax Code, is amended by adding
24 Section 5.043 to read as follows:

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

28 (b) The comptroller shall:

29 (1) approve curricula and provide an arbitration
30 manual and other materials for use in training and educating
31 arbitrators;

1 (2) make all materials for use in training and
2 educating arbitrators freely available online; and

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

5 (c) The training program must:

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

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

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

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

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

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

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

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

6 (2) school district to calculate and submit the
7 no-new-revenue tax rate, the rollback tax rate, and the rate to
8 maintain the same amount of state and local revenue per weighted
9 student that the district received in the school year beginning in
10 the preceding tax year as required by Chapter 26.

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

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

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

18 (3) be capable of being submitted electronically to
19 the chief appraiser of each appraisal district in which the taxing
20 unit is located.

21 (h) For purposes of Subsections (f) and (g), the comptroller
22 shall use the forms published on the comptroller's Internet website
23 as of August 1, 2017, modified as necessary to comply with the
24 requirements of those subsections. The forms may be updated, at the
25 discretion of the comptroller acting through the director of the
26 property tax assistance division, to reflect statutory changes that
27 do not substantially change the tax rate calculations provided for
28 by the form or for the purpose of making formatting or other
29 nonsubstantive changes. The director may determine, in the
30 director's discretion, whether a proposed change substantially
31 changes the tax rate calculations provided for by the forms and

1 therefore must be made in the manner provided by Subsection (i).

2 (i) The comptroller may revise the forms to reflect
3 statutory changes that substantially change the tax rate
4 calculations provided for by the forms or on receipt of a request in
5 writing. A revision under this subsection must be approved by the
6 agreement of a majority of the members of a committee selected by
7 the comptroller who are present at a committee meeting at which a
8 quorum is present. The members of the committee must represent,
9 equally, taxpayers and either taxing units or persons designated by
10 taxing units. In the case of a revision for which the comptroller
11 receives a request in writing, the person requesting the revision
12 shall pay the costs of mediation if the comptroller determines that
13 mediation is required.

14 SECTION _____. Section 5.091, Tax Code, is amended to read as
15 follows:

16 Sec. 5.091. STATEWIDE LIST OF TAX RATES. (a) Each year the
17 comptroller shall prepare a list that includes the total tax rate
18 imposed by each taxing unit in this state, as ~~[other than a school~~
19 ~~district, if the tax rate is]~~ reported to the comptroller by each
20 appraisal district, for the year ~~[preceding the year]~~ in which the
21 list is prepared. The comptroller shall:

22 (1) prescribe the manner in which and deadline by
23 which appraisal districts are required to submit the tax rates to
24 the comptroller; and

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

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

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

30 (b) Not later than January 1 ~~[December 31]~~ of the following
31 ~~[each]~~ year, the comptroller shall publish on the comptroller's

1 Internet website the list required by Subsection (a).

2 SECTION _____. Section 5.102(a), Tax Code, is amended to
3 read as follows:

4 (a) At least once every two years, the comptroller shall
5 review the governance of each appraisal district, taxpayer
6 assistance provided, and the operating and appraisal standards,
7 procedures, and methodology used by each appraisal district, to
8 determine compliance with generally accepted standards,
9 procedures, and methodology. After consultation with the property
10 tax administration advisory board [~~committee created under Section~~
11 ~~403.302, Government Code~~], the comptroller by rule may establish
12 procedures and standards for conducting and scoring the review.

13 SECTION _____. Chapter 5, Tax Code, is amended by adding
14 Section 5.104 to read as follows:

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

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

21 (2) instructions for completing and submitting the
22 form.

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

25 (1) a property owner who files a motion under Section
26 25.25 to correct the appraisal roll or a protest under Chapter 41;

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

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

31 (c) The survey form must allow an individual to submit

1 comments and suggestions regarding:

2 (1) the matters listed in Section 5.103(b);

3 (2) the individual's right to offer evidence and
4 arguments related to actions of any governmental entity that have
5 adversely affected the value of the property subject to the survey
6 that should be allowed for in the model hearing procedures; and

7 (3) any other matter related to the fairness and
8 efficiency of the appraisal review board.

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

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

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

22 (1) in person;

23 (2) by mail;

24 (3) by e-mail; or

25 (4) through a web page that allows the individual to
26 complete and submit the form electronically.

27 (g) An appraisal district may not require a property owner
28 or the designated agent of the owner to complete a survey form at
29 the appraisal office in order to be permitted to submit the form to
30 the comptroller.

31 (h) A property owner or the designated agent of the owner

1 who elects to submit a survey form must submit the form not later
2 than the 45th day after the date the form is provided to the owner or
3 agent under Subsection (d).

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

8 (j) The comptroller may adopt rules necessary to implement
9 this section.

10 SECTION _____. Section 6.41, Tax Code, is amended by
11 amending Subsections (b) and (d-9) and adding Subsections (b-1),
12 (b-2), and (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, the local administrative district
28 judge shall select an adequate number of qualified individuals to
29 permit the chairman of the appraisal review board to fill the
30 positions on each special panel established under Section 6.425.

31 (d-10) Upon selection of the individuals who are to serve as

1 members of the appraisal review board, the local administrative
2 district judge shall enter an appropriate order designating such
3 members and setting each member's respective term of office, as
4 provided elsewhere in this section.

5 SECTION _____. Sections 6.412(a) and (d), Tax Code, are
6 amended to read as follows:

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

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

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

19 (A) the delinquent taxes and any penalties and
20 interest are being paid under an installment payment agreement
21 under Section 33.02; or

22 (B) a suit to collect the delinquent taxes is
23 deferred or abated under Section 33.06 or 33.065; or

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

27 (A) the appraisal district's board of directors;
28 or

29 (B) the appraisal review board.

30 (d) A person is ineligible to serve on the appraisal review
31 board of an appraisal district established for a county described

1 by Section 6.41(d-1) [~~having a population of more than 100,000~~] if
2 the person:

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

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

9 (3) appeared before the appraisal review board for
10 compensation during the two-year period preceding the date the
11 person is appointed; or

12 (4) served for all or part of three previous terms as a
13 board member or auxiliary board member on the appraisal review
14 board.

15 SECTION _____. Section 6.414(d), Tax Code, is amended to
16 read as follows:

17 (d) An auxiliary board member may hear taxpayer protests
18 before the appraisal review board. An auxiliary board member may
19 not hear taxpayer protests before a special panel established under
20 Section 6.425 unless the member is eligible to be appointed to the
21 special panel. If one or more auxiliary board members sit on a
22 panel established under Section 6.425 or 41.45 to conduct a protest
23 hearing, the number of regular appraisal review board members
24 required by that section to constitute the panel is reduced by the
25 number of auxiliary board members sitting. An auxiliary board
26 member sitting on a panel is considered a regular board member for
27 all purposes related to the conduct of the hearing.

28 SECTION _____. Section 6.42, Tax Code, is amended by
29 amending Subsection (a) and adding Subsection (d) to read as
30 follows:

31 (a) A majority of the appraisal review board constitutes a

1 quorum. The local administrative district judge under Subchapter
2 D, Chapter 74, Government Code, in the county in which [~~board of~~
3 ~~directors of~~] the appraisal district is established [~~by resolution~~]
4 shall select a chairman and a secretary from among the members of
5 the appraisal review board. The judge [~~board of directors of the~~
6 ~~appraisal district~~] is encouraged to select as chairman [~~of the~~
7 ~~appraisal review board~~] a member of the appraisal review board, if
8 any, who has a background in law and property appraisal.

9 (d) The concurrence of a majority of the members of the
10 appraisal review board or a panel of the board present at a meeting
11 of the board or panel is sufficient for a recommendation,
12 determination, decision, or other action by the board or panel, and
13 the concurrence of more than a majority of the members of the board
14 or panel may not be required.

15 SECTION _____. Subchapter C, Chapter 6, Tax Code, is amended
16 by adding Section 6.425 to read as follows:

17 Sec. 6.425. SPECIAL APPRAISAL REVIEW BOARD PANELS IN
18 CERTAIN DISTRICTS. (a) This section applies only to the appraisal
19 review board for an appraisal district described by Section
20 6.41(b-2).

21 (b) The appraisal review board shall establish special
22 panels to conduct protest hearings under Chapter 41 relating to
23 property that:

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

26 (2) is included in one of the following
27 classifications:

28 (A) commercial real and personal property;

29 (B) real and personal property of utilities;

30 (C) industrial and manufacturing real and
31 personal property; and

1 (D) multifamily residential real property.

2 (c) Each special panel described by this section consists of
3 three members of the appraisal review board appointed by the
4 chairman of the board.

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

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

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

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

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

14 (5) possess an MAI professional designation from the
15 Appraisal Institute;

16 (6) possess a Certified Assessment Evaluator (CAE)
17 professional designation from the International Association of
18 Assessing Officers;

19 (7) have at least 20 years of experience in property
20 tax appraisal or consulting; or

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

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

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

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

1 (f) In addition to conducting protest hearings relating to
2 property described by Subsection (b) of this section, a special
3 panel may conduct protest hearings under Chapter 41 relating to
4 property not described by Subsection (b) of this section as
5 assigned by the chairman of the appraisal review board.

6 SECTION _____. Section 23.02, Tax Code, is amended to read as
7 follows:

8 Sec. 23.02. REAPPRAISAL OF PROPERTY DAMAGED IN DISASTER
9 AREA. (a) The chief appraiser of an appraisal district that
10 appraises property for ~~[governing body of]~~ a taxing unit that is
11 located partly or entirely inside an area declared to be a disaster
12 area by the governor shall reappraise ~~[may authorize reappraisal~~
13 ~~of]~~ all property that the Federal Emergency Management Agency or
14 its successor agency estimates to have sustained five percent or
15 greater damage as a result of ~~[damaged in]~~ the disaster at its
16 market value immediately after the disaster.

17 (a-1) Notwithstanding Subsection (a), a property owner may
18 refuse to have the owner's property reappraised under this section.

19 (b) The chief appraiser ~~[If a taxing unit authorizes a~~
20 ~~reappraisal pursuant to this section, the appraisal office]~~ shall
21 complete the reappraisal not later than the 45th day after the date
22 the governor declares the area to be a disaster area ~~[as soon as~~
23 ~~practicable]~~.

24 (b-1) Notwithstanding Subsection (b), if the Federal
25 Emergency Management Agency or its successor agency does not
26 complete the damage estimates described by Subsection (a) on or
27 before the deadline for completing the reappraisal prescribed by
28 Subsection (b), the chief appraiser shall complete the reappraisal
29 as soon as practicable after the damage estimates are completed.

30 (b-2) The chief appraiser ~~[appraisal office]~~ shall include
31 on the appraisal records, in addition to other information required

1 or authorized by law:

2 (1) the date of the disaster; and

3 (2) the appraised value of the property after the
4 disaster~~[, and~~

5 [~~(3) if the reappraisal is not authorized by all~~
6 ~~taxing units in which the property is located, an indication of the~~
7 ~~taxing units to which the reappraisal applies]~~.

8 (c) A taxing unit for which property is reappraised [~~that~~
9 ~~authorizes a reappraisal~~] under this section must pay the appraisal
10 district all the costs of making the reappraisal. If property in
11 the same territory is reappraised for two or more taxing units
12 [~~provide for the reappraisal in the same territory~~], each unit
13 shall share the costs of the reappraisal in that territory in the
14 proportion the total dollar amount of taxes each unit imposed in
15 that territory in the preceding year bears to the total dollar
16 amount of taxes all units [~~providing for reappraisal of that~~
17 ~~territory~~] imposed in that territory in the preceding year.

18 (d) If property damaged in a disaster is reappraised for a
19 taxing unit as provided by this section, the governing body of the
20 taxing unit shall provide for prorating the taxes on the property
21 for the year in which the disaster occurred. The [~~If the taxes are~~]
22 prorated~~[,]~~ taxes due on the property are determined as follows:
23 the taxes on the property based on its value on January 1 of that
24 year are multiplied by a fraction, the denominator of which is 365
25 and the numerator of which is the number of days before the date the
26 disaster occurred; the taxes on the property based on its
27 reappraised value are multiplied by a fraction, the denominator of
28 which is 365 and the numerator of which is the number of days,
29 including the date the disaster occurred, remaining in the year;
30 and the total of the two amounts is the amount of taxes on the
31 property for the year.

1 (e) The comptroller may adopt rules to implement and
2 administer this section.

3 SECTION _____. Effective January 1, 2019, Section 25.19, Tax
4 Code, is amended by adding Subsections (b-3) and (b-4) to read as
5 follows:

6 (b-3) This subsection applies only to an appraisal district
7 described by Section 6.41(b-2). In addition to the information
8 required by Subsection (b), the chief appraiser shall state in a
9 notice of appraised value of property described by Section 6.425(b)
10 that the property owner has the right to have a protest relating to
11 the property heard by a special panel of the appraisal review board.

12 (b-4) Subsection (b)(5) applies only to a notice of
13 appraised value required to be delivered by the chief appraiser of
14 an appraisal district established in a county with a population of
15 less than 120,000. This subsection expires January 1, 2020.

16 SECTION _____. Effective January 1, 2020, Sections 25.19(b)
17 and (i), Tax Code, are amended to read as follows:

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

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

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

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

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

1 exemption canceled or reduced;

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

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

10 (6) ~~[(7)]~~ a detailed explanation of the time and
11 procedure for protesting the value;

12 (7) ~~[(8)]~~ the date and place the appraisal review
13 board will begin hearing protests; and

14 (8) ~~[(9)]~~ a brief explanation that the governing body
15 of each taxing unit decides whether or not taxes on the property
16 will increase and the appraisal district only determines the value
17 of the property.

18 (i) Delivery with a notice required by Subsection (a) or (g)
19 of a copy of the pamphlet published by the comptroller under Section
20 5.06 or a copy of the notice published by the chief appraiser under
21 Section 41.70 is sufficient to comply with the requirement that the
22 notice include the information specified by Subsection (b)(6)
23 ~~[(b)(7)]~~ or (g)(3), as applicable.

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

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

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

1 NEW PROPERTY VALUE)

2 (2) In the recital to SECTION 1 of the bill, strike "(18)"
3 and substitute "(19)".

4 (3) In SECTION 1 of the bill, in added Section 26.012(18),
5 Tax Code, strike "(18)" and substitute "(19)".

6 (4) Add the following appropriately numbered SECTION to the
7 bill:

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

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

12 (5) Strike the recital to SECTION 2 of the bill and
13 substitute the following, appropriately numbered:

14 SECTION _____. Section 26.04, Tax Code, is amended by
15 amending Subsections (b), (c), (d), (e), (e-1), (f), (g), (i), and
16 (j) and adding Subsections (c-1), (d-1), (d-2), (e-2), (e-3), and
17 (e-4) to read as follows:

18 (6) In SECTION 2 of the bill, strike amended Section
19 26.04(c), Tax Code, and substitute the following:

20 (b) The assessor shall submit the appraisal roll for the
21 unit showing the total appraised, assessed, and taxable values of
22 all property and the total taxable value of new property to the
23 governing body of the unit by August 1 or as soon thereafter as
24 practicable. By August 1 or as soon thereafter as practicable, the
25 taxing unit's collector shall certify [~~an estimate of~~] the
26 anticipated collection rate, as defined by Subsection (h), for the
27 current year to the governing body. If the collector certified an
28 anticipated collection rate in the preceding year and the actual
29 collection rate in that year exceeded the anticipated rate, the
30 collector shall also certify the amount of debt taxes collected in
31 excess of the anticipated amount in the preceding year.

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

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

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

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

(A) for a small taxing unit:

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

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

$$\text{ROLLBACK TAX RATE} = (\text{NO-NEW-REVENUE MAINTENANCE AND OPERATIONS RATE} \times 1.06) + \text{CURRENT DEBT RATE}$$

(7) In SECTION 2 of the bill, following added Section 26.04(c-1), Tax Code, add the following:

(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.

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 unit may not adopt a tax rate until
8 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 unit's certified appraisal roll in
12 performing the calculations.

13 (e) By August 7 or as soon thereafter as practicable, the
14 designated officer or employee shall submit the rates to the
15 governing body. The designated officer or employee [He] shall
16 deliver by mail to each property owner in the unit or publish in a
17 newspaper and may post prominently on the home page of the unit's
18 Internet website in the form prescribed by the comptroller:

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

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

26 (3) a schedule of the unit's debt obligations showing:

27 (A) the amount of principal and interest that
28 will be paid to service the unit's debts in the next year from
29 property tax revenue, including payments of lawfully incurred
30 contractual obligations providing security for the payment of the
31 principal of and interest on bonds and other evidences of

1 indebtedness issued on behalf of the unit by another political
2 subdivision and, if the unit is created under Section 52, Article
3 III, or Section 59, Article XVI, Texas Constitution, payments on
4 debts that the unit anticipates to incur in the next calendar year;

5 (B) the amount by which taxes imposed for debt
6 are to be increased because of the unit's anticipated collection
7 rate; and

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

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

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

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

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

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

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

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

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

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

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

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

21 (1) the following statement:

22 "PROPOSED (tax year) PROPERTY TAX BILL INFORMATION

23 "Information concerning the property taxes that may be
24 imposed on your property by local taxing units, the dates and
25 locations of any public hearings on the tax rates of the taxing
26 units, and the dates and locations of meetings of the governing
27 bodies of the taxing units to vote on the tax rates, together with
28 other important property tax information, may be found at the
29 website listed below:

30 "(address of the Internet website at which the information
31 may be found)";

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

6 (3) the address and telephone number of the county
7 assessor-collector.

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

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

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 unit, the chief appraiser of the
22 applicable appraisal district, or the taxing unit, as applicable,
23 has not complied with the computation, ~~[or]~~ publication, or posting
24 requirements of this section or Section 26.17 or 26.18 ~~[and the~~
25 ~~failure to comply was not in good faith]~~.

26 (i) This subsection applies to a taxing unit that has agreed
27 by written contract to transfer a distinct department, function, or
28 activity to another taxing unit and discontinues operating that
29 distinct department, function, or activity if the operation of that
30 department, function, or activity in all or a majority of the
31 territory of the taxing unit is continued by another existing

1 taxing unit or by a new taxing unit. The rollback tax rate of a
2 taxing unit to which this subsection applies in the first tax year
3 in which a budget is adopted that does not allocate revenue to the
4 discontinued department, function, or activity is calculated as
5 otherwise provided by this section, except that last year's levy
6 used to calculate the no-new-revenue ~~[effective]~~ maintenance and
7 operations rate of the unit is reduced by the amount of maintenance
8 and operations tax revenue spent by the taxing unit to operate the
9 department, function, or activity for the 12 months preceding the
10 month in which the calculations required by this chapter are made
11 and in which the unit operated the discontinued department,
12 function, or activity. If the unit did not operate that department,
13 function, or activity for the full 12 months preceding the month in
14 which the calculations required by this chapter are made, the unit
15 shall reduce last year's levy used for calculating the
16 no-new-revenue ~~[effective]~~ maintenance and operations rate of the
17 unit by the amount of the revenue spent in the last full fiscal year
18 in which the unit operated the discontinued department, function,
19 or activity.

20 (j) This subsection applies to a taxing unit that had agreed
21 by written contract to accept the transfer of a distinct
22 department, function, or activity from another taxing unit and
23 operates a distinct department, function, or activity if the
24 operation of a substantially similar department, function, or
25 activity in all or a majority of the territory of the taxing unit
26 has been discontinued by another taxing unit, including a dissolved
27 taxing unit. The rollback tax rate of a taxing unit to which this
28 subsection applies in the first tax year after the other taxing unit
29 discontinued the substantially similar department, function, or
30 activity in which a budget is adopted that allocates revenue to the
31 department, function, or activity is calculated as otherwise

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

19 (8) Strike the recital to SECTION 3 of the bill and
20 substitute the following, appropriately numbered:

21 SECTION _____. Section 26.041, Tax Code, is amended by
22 amending Subsections (a), (b), (c), (e), (g), and (h) and adding
23 Subsection (c-1) to read as follows:

24 (9) In SECTION 3 of the bill, strike amended Sections
25 26.041(a), (b), and (c), Tax Code, and substitute the following:

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

30 NO-NEW-REVENUE [~~EFFECTIVE~~] TAX RATE = $\frac{[(\text{LAST YEAR'S}$
31 $\text{LEVY} - \text{LOST PROPERTY LEVY}) / (\text{CURRENT TOTAL VALUE} - \text{NEW}$

PROPERTY VALUE)] - SALES TAX GAIN RATE

~~and~~

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

and

ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SMALL
TAXING UNIT = (NO-NEW-REVENUE MAINTENANCE AND
OPERATIONS RATE x 1.06) + CURRENT DEBT RATE - SALES TAX
GAIN RATE

where "sales tax gain 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 following year as calculated under Subsection (d) ~~[of this section]~~ by the current total value.

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

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

or

ROLLBACK TAX RATE FOR TAXING UNIT OTHER THAN SMALL
TAXING UNIT = [(LAST YEAR'S MAINTENANCE AND OPERATIONS
EXPENSE x 1.06) / (CURRENT TOTAL VALUE - NEW PROPERTY
VALUE)] + (CURRENT DEBT RATE - SALES TAX REVENUE RATE)

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 unit are calculated according to the following
12 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
18 YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.08) /
19 ([~~TOTAL~~] CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] +
20 CURRENT 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 1.06) / (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
28 and use tax revenue generated in the last four quarters for which
29 the information is available by the current total value and "last
30 year's maintenance and operations expense" means the amount spent
31 for maintenance and operations from property tax and additional

1 sales and use tax revenues in the preceding year.

2 (10) In SECTION 3 of the bill, following added Section
3 26.041(c-1), Tax Code, add the following:

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

23 (g) If the rate of the additional sales and use tax is
24 increased, the designated officer or employee shall make two
25 projections, in the manner provided by Subsection (d) ~~[of this~~
26 ~~section]~~, of the revenue generated by the additional sales and use
27 tax in the following year. The first projection must take into
28 account the increase and the second projection must not take into
29 account the increase. The designated officer or employee shall
30 then subtract the amount of the result of the second projection from
31 the amount of the result of the first projection to determine the

1 revenue generated as a result of the increase in the additional
2 sales and use tax. In the first year in which an additional sales
3 and use tax is increased, the no-new-revenue ~~[effective]~~ tax rate
4 for the unit is the no-new-revenue ~~[effective]~~ tax rate before the
5 increase minus a number the numerator of which is the revenue
6 generated as a result of the increase in the additional sales and
7 use tax, as determined under this subsection, and the denominator
8 of which is the current total value minus the new property value.

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

26 (11) In SECTION 4 of the bill, in the heading to amended
27 Section 26.043, Tax Code, strike "EFFECTIVE" and substitute
28 "NO-NEW-REVENUE ~~[EFFECTIVE]~~".

29 (12) Add the following appropriately numbered SECTIONS to
30 the bill:

31 SECTION _____. 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 representative shall subtract from
9 the city's rollback and no-new-revenue ~~[effective]~~ tax rates the
10 amount that, if applied to the city's current total value, would
11 impose an amount equal to the amount of property taxes budgeted in
12 the current tax year to pay for expenses related to mass transit
13 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 _____. 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 _____. Sections 26.044(a), (b), and (c), Tax Code,
23 are 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
28 calculated according to the following formula:

29 (State Criminal Justice Mandate) / (Current Total
30 Value - New Property Value)

31 (b) In the second and subsequent years that a county adopts

1 a tax rate, if the amount spent by the county for the state criminal
2 justice mandate increased over the previous year, the
3 no-new-revenue ~~[effective]~~ maintenance and operation rate for the
4 county is increased by the rate calculated according to the
5 following formula:

6 (This Year's State Criminal Justice Mandate - Previous
7 Year's State Criminal Justice Mandate) / (Current
8 Total Value - New Property Value)

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

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

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

23 Amount of Increase = Enhanced Indigent Health Care
24 Expenditures / (Current Total Value - New Property
25 Value)

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

31 Amount of Increase = (Current Tax Year's Enhanced

1 Indigent Health Care Expenditures - Preceding Tax
2 Year's Indigent Health Care Expenditures) / (Current
3 Total Value - New Property Value)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

30 (d-2) Notwithstanding Subsection (a), the governing body of
31 a taxing unit other than a school district may not adopt a tax rate

1 until:

2 (1) the chief appraiser of each appraisal district in
3 which the taxing unit participates has:

4 (A) delivered the notice required by Section
5 26.04(e-2); and

6 (B) incorporated the tax rate calculation forms
7 submitted to the appraisal district under Section 26.17(d)(2) by
8 the designated officer or employee of the taxing unit into the
9 property tax database maintained by the chief appraiser and made
10 them available to the public;

11 (2) the designated officer or employee of the taxing
12 unit has entered in the property tax database maintained by the
13 chief appraiser the information described by Section 26.17(b) for
14 the current tax year; and

15 (3) the taxing unit has posted the information
16 described by Section 26.18 on the Internet website used by the
17 taxing unit for that purpose.

18 (e) A person who owns taxable property is entitled to an
19 injunction restraining the collection of taxes by a taxing unit in
20 which the property is taxable if the taxing unit has not complied
21 with the requirements of this section or Section 26.04 [~~and the~~
22 ~~failure to comply was not in good faith~~]. An action to enjoin the
23 collection of taxes must be filed not later than the 15th day after
24 the date the taxing unit adopts a tax rate. A property owner is not
25 required to pay the taxes imposed by a taxing unit on the owner's
26 property while an action filed by the property owner to enjoin the
27 collection of taxes imposed by the taxing unit on the owner's
28 property is pending. If the property owner pays the taxes and
29 subsequently prevails in the action, the property owner is entitled
30 to a refund of the taxes paid, together with reasonable attorney's
31 fees and court costs. The property owner is not required to apply

1 to the collector for the taxing unit to receive the refund [~~prior to~~
2 ~~the date a taxing unit delivers substantially all of its tax bills~~].

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

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

18 (e) Public notice provided under Subsection (c) must
19 specify:

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

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

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

31 (f) A taxing unit to which this section applies that elects

1 to provide public notice of its proposed tax rate under Subsection
2 (c) may also provide public notice of its proposed tax rate by
3 posting notice of the proposed tax rate including the information
4 prescribed by Subsection (e) prominently on the home page of the
5 Internet website of the taxing unit.

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

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

12 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

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

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

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

30 "(Names of all members of the governing body, showing how
31 each voted on the proposal to consider the tax increase or, if one

1 or more were absent, indicating the absences.)

2 "The average taxable value of a residence homestead in (name
3 of taxing unit) last year was \$____ (average taxable value of a
4 residence homestead in the taxing unit for the preceding tax year,
5 disregarding residence homestead exemptions available only to
6 disabled persons or persons 65 years of age or older). Based on
7 last year's tax rate of \$____ (preceding year's adopted tax rate)
8 per \$100 of taxable value, the amount of taxes imposed last year on
9 the average home was \$____ (tax on average taxable value of a
10 residence homestead in the taxing unit for the preceding tax year,
11 disregarding residence homestead exemptions available only to
12 disabled persons or persons 65 years of age or older).

13 "The average taxable value of a residence homestead in (name
14 of taxing unit) this year is \$____ (average taxable value of a
15 residence homestead in the taxing unit for the current tax year,
16 disregarding residence homestead exemptions available only to
17 disabled persons or persons 65 years of age or older). If the
18 governing body adopts the no-new-revenue ~~[effective]~~ tax rate for
19 this year of \$____ (no-new-revenue ~~[effective]~~ tax rate) per \$100
20 of taxable value, the amount of taxes imposed this year on the
21 average home would be \$____ (tax on average taxable value of a
22 residence homestead in the taxing unit for the current tax year,
23 disregarding residence homestead exemptions available only to
24 disabled persons or persons 65 years of age or older).

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

31 "Members of the public are encouraged to attend the hearings

1 and express their views."

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

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

17 "NOTICE OF TAX REVENUE INCREASE

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

25 "The total tax revenue proposed to be raised last year at last
26 year's tax rate of (insert tax rate for the preceding year) for each
27 \$100 of taxable value was (insert total amount of taxes imposed in
28 the preceding year).

29 "The total tax revenue proposed to be raised this year at the
30 proposed tax rate of (insert proposed tax rate) for each \$100 of
31 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 14th day after the date
18 of the second public hearing. The meeting must be held inside the
19 boundaries of the taxing unit in a publicly owned building or, if a
20 suitable publicly owned building is not available, in a suitable
21 building to which the public normally has access. If the governing
22 body does not adopt a tax rate that exceeds the lower of the
23 rollback tax rate or the no-new-revenue ~~[effective]~~ tax rate by the
24 14th day, it must give a new notice under Subsection (d) before it
25 may adopt a rate that exceeds the lower of the rollback tax rate or
26 the no-new-revenue ~~[effective]~~ tax rate.

27 SECTION _____. Section 26.065(b), Tax Code, is amended to
28 read as follows:

29 (b) The ~~[If the]~~ taxing unit ~~[owns, operates, or controls an~~
30 ~~Internet website, the unit]~~ shall post notice of the public hearing
31 prominently on the home page of the Internet website of the unit

1 continuously for at least seven days immediately before the public
2 hearing on the proposed tax rate increase and at least seven days
3 immediately before the date of the vote proposing the increase in
4 the tax rate.

5 (13) Strike the recital to SECTION 8 of the bill and
6 substitute the following, appropriately numbered:

7 SECTION _____. Section 26.08, Tax Code, is amended by
8 amending Subsections (a), (b), (d), (d-1), (d-2), (e), (g), (h),
9 (n), and (p) and adding Subsection (r) to read as follows:

10 (14) In SECTION 8 of the bill, in amended Section 26.08, Tax
11 Code, between amended Subsections (e) and (h) of the section,
12 insert the following:

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

18 (15) In SECTION 8 of the bill, in amended Section 26.08, Tax
19 Code, between amended Subsection (h) and added Subsection (r) of
20 the section, insert the following:

21 (n) For purposes of this section, the rollback tax rate of a
22 school district whose maintenance and operations tax rate for the
23 2005 tax year was \$1.50 or less per \$100 of taxable value is:

24 (1) for the 2006 tax year, the sum of the rate that is
25 equal to 88.67 percent of the maintenance and operations tax rate
26 adopted by the district for the 2005 tax year, the rate of \$0.04 per
27 \$100 of taxable value, and the district's current debt rate; and

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

30 (A) the sum of the following:

31 (i) the rate per \$100 of taxable value that

1 is equal to the product of the state compression percentage, as
2 determined under Section 42.2516, Education Code, for the current
3 year and \$1.50;

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

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

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

12 (B) the sum of the following:

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

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

20 (iii) the district's current debt rate.

21 (p) Notwithstanding Subsections (i), (n), and (o), if for
22 the preceding tax year a school district adopted a maintenance and
23 operations tax rate that was less than the district's
24 no-new-revenue [effective] maintenance and operations tax rate for
25 that preceding tax year, the rollback tax rate of the district for
26 the current tax year is calculated as if the district adopted a
27 maintenance and operations tax rate for the preceding tax year that
28 was equal to the district's no-new-revenue [effective] maintenance
29 and operations tax rate for that preceding tax year.

30 (16) Add the following appropriately numbered SECTION to
31 the bill:

SECTION _____. Section 26.08(i), Tax Code, as effective September 1, 2017, is amended to read as follows:

(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.

(17) Strike SECTION 9 of the bill and substitute the following appropriately numbered SECTION:

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

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

(1) the adopted tax rate;

(2) the maintenance and operations rate;

(3) the debt rate;

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

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

1 (6) the rollback tax rate.

2 (a-1) For purposes of Subsection (a), a reference to the
3 no-new-revenue tax rate or the no-new-revenue maintenance and
4 operations rate includes the equivalent effective tax rate or
5 effective maintenance and operations rate for a preceding year.
6 This subsection expires January 1, 2024.

7 (d) The county assessor-collector shall post immediately
8 below the table prescribed by Subsection (c) the following
9 statement:

10 "The county is providing this table of property tax rate
11 information as a service to the residents of the county. Each
12 individual taxing unit is responsible for calculating the property
13 tax rates listed in this table pertaining to that taxing unit and
14 providing that information to the county.

15 "The adopted tax rate is the tax rate adopted by the governing
16 body of a taxing unit.

17 "The maintenance and operations rate is the component of the
18 adopted tax rate of a taxing unit that will impose the amount of
19 taxes needed to fund maintenance and operation expenditures of the
20 unit for the following year.

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

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

29 "The no-new-revenue [~~effective~~] maintenance and operations
30 rate is the tax rate that would generate the same amount of revenue
31 for maintenance and operations in the current tax year as was

1 generated by a taxing unit's maintenance and operations rate in the
2 preceding tax year from property that is taxable in both the current
3 tax year and the preceding tax year.

4 "The rollback tax rate is the highest tax rate a taxing unit
5 may adopt before requiring voter approval at an election. In the
6 case of a small taxing unit [~~other than a school district~~], the
7 voters by petition may require that a rollback election be held if
8 the unit adopts a tax rate in excess of the unit's rollback tax
9 rate. In the case of a taxing unit other than a small taxing unit
10 [~~school district~~], an election will automatically be held if the
11 unit [~~district~~] wishes to adopt a tax rate in excess of the unit's
12 [~~district's~~] rollback tax rate."

13 (18) Add the following appropriately numbered SECTIONS to
14 the bill:

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

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

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

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

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

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

30 (4) is accessible to the public; and

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

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

17 (B) the rollback tax rate;

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

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

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

24 (B) the proposed tax rate;

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

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

31 (B) the proposed tax rate;

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

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

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

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

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

18 (d) The officer or employee designated by the governing body
19 of each taxing unit to calculate the no-new-revenue tax rate and the
20 rollback tax rate for the unit must electronically:

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

23 (2) submit to the appraisal district the tax rate
24 calculation forms prepared under Section 26.04(d-1) at the same
25 time the designated officer or employee submits the tax rates to the
26 governing body of the unit under Section 26.04(e).

27 (e) The chief appraiser shall deliver by e-mail to the
28 designated officer or employee confirmation of receipt of the tax
29 rate calculation forms submitted under Subsection (d)(2). The
30 chief appraiser shall incorporate the forms into the database and
31 make them available to the public not later than the third day after

1 the date the chief appraiser receives them.

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

8 (1) the name of each member of the governing body of
9 the taxing unit;

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

12 (3) the official contact information for each member
13 of the governing body of the taxing unit, if that information is
14 different from the information described by Subdivision (2);

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

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

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

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

25 (A) the preceding two years; and

26 (B) the current year;

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

30 (A) the preceding two years; and

31 (B) the current year;

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

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

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

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

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

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

17 (15) the most recent financial audit of the taxing
18 unit.

19 SECTION _____. Section 41.03(a), Tax Code, is amended to
20 read as follows:

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

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

26 ~~[(2)]~~ an exclusion of property from the appraisal
27 records;

28 (2) ~~[(3)]~~ a grant in whole or in part of a partial
29 exemption;

30 (3) ~~[(4)]~~ a determination that land qualifies for
31 appraisal as provided by Subchapter C, D, E, or H, Chapter 23; or

1 (4) [~~5~~] failure to identify the taxing unit as one
2 in which a particular property is taxable.

3 SECTION _____. Section 41.44(d), Tax Code, is amended to
4 read as follows:

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

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

25 (d) This subsection does not apply to a special panel
26 established under Section 6.425. An appraisal review board
27 consisting of more than three members may sit in panels of not fewer
28 than three members to conduct protest hearings. [~~However, the~~
29 ~~determination of a protest heard by a panel must be made by the~~
30 ~~board.~~] If the recommendation of a panel is not accepted by the
31 board, the board may refer the matter for rehearing to a panel

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

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

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

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

26 SECTION _____. Section 41.46, Tax Code, is amended by
27 amending Subsection (a) and adding Subsection (d) to read as
28 follows:

29 (a) The appraisal review board before which a protest
30 hearing is scheduled shall deliver written notice to the property
31 owner initiating a protest of the date, time, ~~[and]~~ place, and

1 subject matter of ~~[fixed for]~~ the hearing on the protest and of the
2 property owner's entitlement to a postponement of the hearing as
3 provided by Section 41.45 unless the property owner waives in
4 writing notice of the hearing. The board shall deliver the notice
5 not later than the 15th day before the date of the hearing.

6 (d) The appraisal review board shall deliver notice of the
7 hearing by certified mail if, in the notice of protest under Section
8 41.44, the property owner requests delivery by certified mail. The
9 board shall require the property owner to pay the cost of postage
10 under this subsection.

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

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

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

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

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

28 (b) The chief appraiser may not charge the property owner or
29 the designated agent of the owner for copies provided to the ~~[an]~~
30 owner or designated agent under this section, regardless of the
31 manner in which the copies are prepared or delivered ~~[may not exceed~~

1 ~~the charge for copies of public information as provided under~~
2 ~~Subchapter F, Chapter 552, Government Code, except:~~

3 ~~[(1) the total charge for copies provided in~~
4 ~~connection with a protest of the appraisal of residential property~~
5 ~~may not exceed \$15 for each residence, and~~

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

10 (c) The chief appraiser shall provide the property owner or
11 the agent of the owner access to the information to which the owner
12 or agent is entitled on request under Subsection (a)(2) by:

13 (1) depositing a copy of the information in the mail as
14 regular first-class mail, postage prepaid, properly addressed to
15 the property owner or the agent of the owner;

16 (2) providing a copy of the information to the
17 property owner or the agent of the owner if requested by the owner
18 or the agent in person at the appraisal office;

19 (3) delivering the information in an electronic format
20 as provided by an agreement under Section 1.085; or

21 (4) subject to Subsection (d), referring the property
22 owner or the agent of the owner to the exact Internet location or
23 uniform resource locator (URL) address of a secure Internet website
24 that provides for user registration and authentication and that is
25 maintained by the appraisal district on which the information is
26 identifiable and readily available.

27 (d) If the chief appraiser provides the property owner or
28 the agent of the owner access to information by referring the owner
29 or agent to an Internet website as authorized by Subsection (c)(4),
30 the notice referring the owner or agent to the website must contain
31 a statement in a conspicuous font that clearly indicates that the

1 owner or agent may on request receive a copy of the information by
2 regular first-class mail. On request of the property owner or the
3 agent of the owner, the chief appraiser shall deposit a copy of the
4 information in the mail as regular first-class mail in the manner
5 provided by Subsection (c)(1).

6 SECTION _____. Section 41.47, Tax Code, is amended by adding
7 Subsections (c-2) and (f) and amending Subsection (e) to read as
8 follows:

9 (c-2) The board may not determine the appraised value of the
10 property that is the subject of a protest to be an amount greater
11 than the appraised value of the property as shown in the appraisal
12 records submitted to the board by the chief appraiser under Section
13 25.22 or 25.23.

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

23 (f) The board shall take the actions required by Subsections
24 (a) and (d) not later than the 20th business day after the date the
25 hearing on the protest is concluded.

26 SECTION _____. Section 41.66, Tax Code, is amended by
27 amending Subsections (h), (i), (j), and (k) and adding Subsections
28 (j-1), (k-1), and (p) to read as follows:

29 (h) The appraisal review board shall postpone a hearing on a
30 protest if the property owner or the designated agent of the owner
31 requests additional time to prepare for the hearing and establishes

1 to the board that the chief appraiser failed to comply with Section
2 41.461. The board is not required to postpone a hearing more than
3 one time under this subsection.

4 (i) A hearing on a protest filed by a property owner or the
5 designated agent of the owner [~~who is not represented by an agent~~
6 ~~designated under Section 1.111~~] shall be set for a time and date
7 certain. If the hearing is not commenced within two hours of the
8 time set for the hearing, the appraisal review board shall postpone
9 the hearing on the request of the property owner or the designated
10 agent of the owner.

11 (j) On the request of a property owner or the [~~a~~] designated
12 agent of the owner, an appraisal review board shall schedule
13 hearings on protests concerning up to 20 designated properties to
14 be held consecutively on the same day. The designated properties
15 must be identified in the same notice of protest, and the notice
16 must contain in boldfaced type the statement "request for same-day
17 protest hearings." A property owner or the designated agent of the
18 owner may [~~not~~] file more than one request under this subsection
19 with the appraisal review board in the same tax year. The appraisal
20 review board may schedule hearings on protests concerning more than
21 20 properties filed by the same property owner or the designated
22 agent of the owner and may use different panels to conduct the
23 hearings based on the board's customary scheduling. The appraisal
24 review board may follow the practices customarily used by the board
25 in the scheduling of hearings under this subsection.

26 (j-1) An appraisal review board may schedule the hearings on
27 all protests filed by a property owner or the designated agent of
28 the owner to be held consecutively. The notice of the hearings must
29 state the date and time that the first hearing will begin, state the
30 date the last hearing will end, and list the order in which the
31 hearings will be held. The order of the hearings listed in the

1 notice may not be changed without the agreement of the property
2 owner or the designated agent of the owner, the chief appraiser, and
3 the appraisal review board. The board may not reschedule a hearing
4 for which notice is given under this subsection to a date earlier
5 than the seventh day after the date the last hearing was scheduled
6 to end unless agreed to by the property owner or the designated
7 agent of the owner, the chief appraiser, and the appraisal review
8 board. Unless agreed to by the parties, the board must provide
9 written notice of the date and time of the rescheduled hearing to
10 the property owner or the designated agent of the owner not later
11 than the seventh day before the date of the hearing.

12 (k) This subsection does not apply to a special panel
13 established under Section 6.425. If an appraisal review board sits
14 in panels to conduct protest hearings, protests shall be randomly
15 assigned to panels, except that the board may consider the type of
16 property subject to the protest or the ground of the protest for the
17 purpose of using the expertise of a particular panel in hearing
18 protests regarding particular types of property or based on
19 particular grounds. If a protest is scheduled to be heard by a
20 particular panel, the protest may not be reassigned to another
21 panel without the consent of the property owner or designated
22 agent. If the appraisal review board has cause to reassign a
23 protest to another panel, a property owner or designated agent may
24 agree to reassignment of the protest or may request that the hearing
25 on the protest be postponed. The board shall postpone the hearing
26 on that request. A change of members of a panel because of a
27 conflict of interest, illness, or inability to continue
28 participating in hearings for the remainder of the day does not
29 constitute reassignment of a protest to another panel.

30 (k-1) On the request of a property owner, an appraisal
31 review board to which Section 6.425 applies shall assign a protest

1 relating to property described by Section 6.425(b) to a special
2 panel. In addition, the chairman of the appraisal review board may
3 assign a protest relating to property not described by Section
4 6.425(b) to a special panel as authorized by Section 6.425(f).
5 Protests assigned to special panels shall be randomly assigned to
6 those panels. If a protest is scheduled to be heard by a particular
7 special panel, the protest may not be reassigned to another special
8 panel without the consent of the property owner or designated
9 agent. If the board has cause to reassign a protest to another
10 special panel, a property owner or designated agent may agree to
11 reassignment of the protest or may request that the hearing on the
12 protest be postponed. The board shall postpone the hearing on that
13 request. A change of members of a special panel because of a
14 conflict of interest, illness, or inability to continue
15 participating in hearings for the remainder of the day does not
16 constitute reassignment of a protest to another special panel.

17 (p) At the end of a hearing on a protest, the appraisal
18 review board shall provide the property owner or the designated
19 agent of the owner one or more documents indicating that the members
20 of the board hearing the protest signed the affidavit required by
21 Subsection (g).

22 SECTION _____. Section 41.71, Tax Code, is amended to read as
23 follows:

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

28 (b) The board may not schedule:

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

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

1 SECTION _____. Section 41A.06(b), Tax Code, as effective
2 September 1, 2017, is amended to read as follows:

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

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

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

7 (B) have:

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

11 (ii) been licensed or certified
12 continuously during the five years preceding the date the person
13 agrees to serve as an arbitrator as:

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

16 (b) a real estate appraiser under
17 Chapter 1103, Occupations Code; or

18 (c) a certified public accountant
19 under Chapter 901, Occupations Code; ~~and~~

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

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

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

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

1 (B) \$450, if the property qualifies as the
2 owner's residence homestead under Section 11.13 and the appraised
3 or market value, as applicable, of the property is more than
4 \$500,000, as determined by the order;

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

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

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

18 (F) \$1,500, if the property does not qualify as
19 the owner's residence homestead under Section 11.13 and the
20 appraised or market value, as applicable, of the property is more
21 than \$3 million but not more than \$5 million, as determined by the
22 order.

23 SECTION _____. Section 41A.061(b), Tax Code, is amended to
24 read as follows:

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

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

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

31 (3) during the preceding two years have completed at

1 least eight hours of continuing education in arbitration and
2 alternative dispute resolution procedures offered by a university,
3 college, real estate trade association, or legal association.

4 SECTION _____. Section 41A.09(b), Tax Code, is amended to
5 read as follows:

6 (b) An award under this section:

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

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

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

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

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

20 SECTION _____. Section 45.105(e), Education Code, is amended
21 to read as follows:

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

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

9 SECTION _____. Section 403.302(o), Government Code, is
10 amended to read as follows:

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

15 SECTION _____. Section 102.007(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).";

28 (B) "This budget will raise less revenue from
29 property taxes than last year's budget by an amount of (insert total
30 dollar amount of decrease), which is a (insert percentage decrease)
31 percent decrease from last year's budget. The property tax revenue

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

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

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

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

14 (A) the property tax rate;

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

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

18 (D) the rollback tax rate; and

19 (E) the debt rate; and

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

21 SECTION _____. Section 111.008(d), Local Government Code, is
22 amended to read as follows:

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

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

27 (A) "This budget will raise more revenue from
28 property taxes than last year's budget by an amount of (insert total
29 dollar amount of increase), which is a (insert percentage increase)
30 percent increase from last year's budget. The property tax revenue
31 to be raised from new property added to the tax roll this year is

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

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

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

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

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

20 (A) the property tax rate;

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

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

24 (D) the rollback tax rate; and

25 (E) the debt rate; and

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

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

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

31 (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;

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

30 (D) the rollback tax rate; and

31 (E) the debt rate; and

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

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

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

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

8 (A) "This budget will raise more revenue from
9 property taxes than last year's budget by an amount of (insert total
10 dollar amount of increase), which is a (insert percentage increase)
11 percent increase 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).";

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

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

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

29 (3) the county property tax rates for the preceding
30 fiscal year, and each county property tax rate that has been adopted
31 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 (19) Strike the recital to SECTION 14 of the bill and
9 substitute the following, appropriately numbered:

10 SECTION _____. Section 140.010, Local Government Code, is
11 amended by amending Subsections (a), (d), (e), (f), and (g) and
12 adding Subsection (e-1) to read as follows:

13 (20) In SECTION 14 of the bill, in amended Section 140.010,
14 Local Government Code, strike amended Subsections (a), (e), and (f)
15 and added Subsection (e-1) and substitute the following:

16 (a) In this section:

17 (1) "No-new-revenue ~~[, — "effective]~~ tax rate" and
18 "rollback tax rate" mean the no-new-revenue ~~[effective]~~ tax rate
19 and rollback tax rate of a county or municipality, as applicable, as
20 calculated under Chapter 26, Tax Code.

21 (2) "Small taxing unit" has the meaning assigned by
22 Section 26.012, Tax Code.

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

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

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

31 PROPOSED TAX RATE \$_____ per \$100

1 proposed tax rate. The governing body of (insert name of county or
2 municipality) proposes to use revenue attributable to the tax rate
3 increase for the purpose of (description of purpose of increase).

4 PROPOSED TAX RATE \$_____ per \$100

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

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

7 ROLLBACK TAX RATE \$_____ per \$100

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

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

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

18 FOLLOWS:

19
$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) /$$

20
$$100$$

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

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

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

26 (insert address)

27 (insert telephone number)

28 (insert e-mail address)

29 (insert Internet website address[, ~~if applicable~~])

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

1 First Hearing: (insert date and time) at (insert location of
2 meeting).

3 Second Hearing: (insert date and time) at (insert location
4 of meeting)."

5 (e-1) A county or municipality that is not a small taxing
6 unit and that proposes a property tax rate that exceeds the lower of
7 the no-new-revenue tax rate or the rollback tax rate shall provide
8 the following notice:

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

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

19 PROPOSED TAX RATE \$_____ per \$100

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

21 NO-NEW-REVENUE TAX RATE \$_____ per \$100

22 ROLLBACK TAX RATE \$_____ per \$100

23 "The no-new-revenue tax rate is the total tax rate needed to raise
24 the same amount of property tax revenue for (insert name of county
25 or municipality) from the same properties in both the (insert
26 preceding tax year) tax year and the (insert current tax year) tax
27 year.

28 "The rollback tax rate is the highest tax rate that (insert name of
29 county or municipality) may adopt before the (insert "county" or
30 "city") is required to hold an election to limit the rate that may
31 be approved to the rollback tax rate.

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

2 FOLLOWS:

3 property tax amount = (rate) x (taxable value of your property) /
4 100

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

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

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

10 (insert address)

11 (insert telephone number)

12 (insert e-mail address)

13 (insert Internet website address)

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

16 First Hearing: (insert date and time) at (insert location of
17 meeting).

18 Second Hearing: (insert date and time) at (insert location
19 of meeting)."

20 (f) A county or municipality shall:

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

25 (A) publishing the notice in a newspaper having
26 general circulation in:

27 (i) the county, in the case of notice
28 published by a county; or

29 (ii) the county in which the municipality
30 is located or primarily located, in the case of notice published by
31 a municipality; or

1 (B) mailing the notice to each property owner in:

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

4 (ii) the municipality, in the case of
5 notice provided by a municipality; and

6 (2) post the notice prominently on the home page of the
7 Internet website of the county or municipality~~[, if applicable,]~~
8 beginning not later than the later of September 1 or the 30th day
9 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 (21) In SECTION 19 of the bill, in amended Section
13 49.236(a), Water Code, as added by Chapter 335 (S.B. 392), Acts of
14 the 78th Legislature, Regular Session, 2003, strike Subdivision (1)
15 of the subsection and substitute the following:

16 (1) contain a statement in substantially the following
17 form:

18 "NOTICE OF PUBLIC HEARING ON TAX RATE

19 "The (name of the district) will hold a public hearing on a
20 proposed tax rate for the tax year (year of tax levy) on (date and
21 time) at (meeting place). Your individual taxes may increase at a
22 greater or lesser rate, or even decrease, depending on the tax rate
23 that is adopted and on the change in the taxable value of your
24 property in relation to the change in taxable value of all other
25 property [and the tax rate that is adopted]. The change in the
26 taxable value of your property in relation to the change in the
27 taxable value of all other property determines the distribution of
28 the tax burden among all property owners.

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

1 (22) Strike SECTIONS 20 and 21 of the bill and substitute
2 the following appropriately numbered SECTIONS:

3 SECTION _____. The following provisions are repealed:

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

5 (2) Sections 5.103(e) and (f), Tax Code;

6 (3) Section 6.412(e), Tax Code;

7 (4) Section 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 _____. Section 5.041, Tax Code, as amended by this
13 Act, applies only to an appraisal review board member appointed to
14 serve a term of office that begins on or after January 1, 2018.

15 SECTION _____. The comptroller shall implement Section 5.043,
16 Tax Code, as added by this Act, as soon as practicable after January
17 1, 2018.

18 SECTION _____. (a) The comptroller shall comply with Sections
19 5.07(f), (g), (h), and (i), Tax Code, as added by this Act, as soon
20 as practicable after January 1, 2018.

21 (b) The comptroller shall comply with Section 5.091, Tax
22 Code, as amended by this Act, not later than January 1, 2021.

23 SECTION _____. The comptroller shall prepare and make
24 available the survey form and instructions for completing and
25 submitting the form required by Section 5.104, Tax Code, as added by
26 this Act, as soon as practicable after January 1, 2018. An
27 appraisal district is not required to provide the survey form or
28 instructions under a requirement of that section until the form and
29 instructions are prepared and made available by the comptroller.

30 SECTION _____. Section 6.41(d-9), Tax Code, as amended by
31 this Act, applies only to the appointment of appraisal review board

1 members to terms beginning on or after January 1, 2019.

2 SECTION _____. Section 6.412, Tax Code, as amended by this
3 Act, does not affect the eligibility of a person serving on an
4 appraisal review board immediately before January 1, 2018, to
5 continue to serve on the board for the term to which the member was
6 appointed.

7 SECTION _____. Section 6.42(d), Tax Code, as added by this
8 Act, applies only to a recommendation, determination, decision, or
9 other action by an appraisal review board or a panel of such a board
10 on or after January 1, 2018. A recommendation, determination,
11 decision, or other action by an appraisal review board or a panel of
12 such a board before January 1, 2018, is governed by the law as it
13 existed immediately before that date, and that law is continued in
14 effect for that purpose.

15 SECTION _____. Section 23.02, Tax Code, as amended by this
16 Act, applies only to the reappraisal of property located in an area
17 that is declared to be a disaster area by the governor on or after
18 January 1, 2018. The reappraisal of property located in an area
19 that was declared to be a disaster area by the governor before
20 January 1, 2018, is governed by the law as it existed immediately
21 before that date, and that law is continued in effect for that
22 purpose.

23 SECTION _____. (a) An appraisal district established in a
24 county with a population of 120,000 or more and each taxing unit
25 located wholly or partly in such an appraisal district shall comply
26 with Sections 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18,
27 Tax Code, as added by this Act, beginning with the 2019 tax year.

28 (b) An appraisal district established in a county with a
29 population of less than 120,000 and each taxing unit located wholly
30 in such an appraisal district shall comply with Sections
31 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18, Tax Code, as

1 added by this Act, beginning with the 2020 tax year.

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

7 SECTION _____. (a) Except as provided by Subsections (b) and
8 (c) of this section, the changes in law made by this Act to Chapter
9 41, Tax Code, apply only to a protest for which the notice of
10 protest was filed by a property owner or the designated agent of the
11 owner with the appraisal review board established for an appraisal
12 district on or after January 1, 2018.

13 (b) Section 41.03(a), Tax Code, as amended by this Act,
14 applies only to a challenge under Chapter 41, Tax Code, for which a
15 challenge petition is filed on or after January 1, 2018. A
16 challenge under Chapter 41, Tax Code, for which a challenge
17 petition was filed before January 1, 2018, is governed by the law in
18 effect on the date the challenge petition was filed, and the former
19 law is continued in effect for that purpose.

20 (c) Sections 41.45 and 41.66, Tax Code, as amended by this
21 Act, apply only to a protest filed under Chapter 41, Tax Code, on or
22 after January 1, 2019. A protest filed under that chapter before
23 January 1, 2019, is governed by the law in effect on the date the
24 protest was filed, and the former law is continued in effect for
25 that purpose.

26 SECTION _____. The changes in law made by this Act in the
27 qualifications of persons serving as arbitrators in binding
28 arbitrations of appeals of appraisal review board orders do not
29 affect the entitlement of a person serving as an arbitrator
30 immediately before January 1, 2018, to continue to serve as an
31 arbitrator and to conduct hearings on arbitrations until the person

1 is required to renew the person's agreement with the comptroller to
2 serve as an arbitrator. The changes in law apply only to a person
3 who initially qualifies to serve as an arbitrator or who renews the
4 person's agreement with the comptroller to serve as an arbitrator
5 on or after January 1, 2018. This Act does not prohibit a person who
6 is serving as an arbitrator on January 1, 2018, from renewing the
7 person's agreement with the comptroller to serve as an arbitrator
8 if the person has the qualifications required for an arbitrator
9 under the Tax Code as amended by this Act.

10 SECTION _____. (a) Except as otherwise provided by this Act,
11 this Act takes effect January 1, 2018.

12 (b) The following provisions take effect September 1, 2018:

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

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

17 (3) Section 6.414(d), Tax Code, as amended by this
18 Act;

19 (4) Section 6.425, Tax Code, as added by this Act;

20 (5) Section 41.44(d), Tax Code, as amended by this
21 Act;

22 (6) Section 41.45(d), Tax Code, as amended by this
23 Act;

24 (7) Sections 41.45(d-1), (d-2), and (d-3), Tax Code,
25 as added by this Act;

26 (8) Section 41.66(k), Tax Code, as amended by this
27 Act; and

28 (9) Section 41.66(k-1), Tax Code, as added by this
29 Act.

30 (c) The following provisions take effect January 1, 2019:

31 (1) Sections 26.04(d-1), (d-2), (e-2), (e-3), and

1 (e-4), Tax Code, as added by this Act;

2 (2) Sections 26.04(e-1) and (g), Tax Code, as amended
3 by this Act;

4 (3) Sections 26.05(d-1) and (d-2), Tax Code, as added
5 by this Act; and

6 (4) Section 26.05(e), Tax Code, as amended by this
7 Act.

8 (23) Renumber the SECTIONS of the bill accordingly.

