

By: Bettencourt

S.B. No. 93

A BILL TO BE ENTITLED

AN ACT

relating to ad valorem taxation.

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

SECTION 1. Section 5.07, Tax Code, is amended by adding Subsection (f) to read as follows:

(f) The comptroller shall prescribe the form of the worksheets to be used by the designated officer or employee of each taxing unit in calculating the no-new-taxes tax rate and rollback tax rate for the unit as required by Chapter 26. The form must be in an electronic format and be capable of:

(1) being completed electronically;

(2) performing calculations automatically based on the data entered by the designated officer or employee;

(3) being certified by the designated officer or employee after completion; and

(4) being submitted electronically to the comptroller on completion and certification.

SECTION 2. Section 5.091, Tax Code, is amended to read as follows:

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

1 comptroller shall list the tax rates alphabetically according to:

2 (1) the county or counties in which each taxing unit is
3 located; and

4 (2) the name of each taxing unit [~~in descending~~
5 ~~order~~].

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

9 SECTION 3. Chapter 5, Tax Code, is amended by adding Section
10 5.092 to read as follows:

11 Sec. 5.092. STATEWIDE DATABASE OF OTHER PROPERTY TAX
12 RELATED INFORMATION. (a) The comptroller shall create and
13 maintain a property tax database that:

14 (1) contains information that is provided by
15 designated officers or employees of taxing units in the manner
16 required by the comptroller;

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

20 (3) is accessible to the public; and

21 (4) is searchable by property address.

22 (b) The database must include, with respect to each property
23 listed on an appraisal roll:

24 (1) the property's identification number;

25 (2) the property's market value;

26 (3) the property's taxable value;

27 (4) the name of each taxing unit in which the property

1 is located;

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

4 (A) the no-new-taxes tax rate; and

5 (B) the rollback tax rate;

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

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

11 (B) the rollback tax rate;

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

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

17 (A) the no-new-taxes tax rate; and

18 (B) the proposed tax rate;

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

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

25 (B) the proposed tax rate;

26 (10) for each taxing unit other than a school district
27 in which the property is located, the difference between the amount

1 calculated under Subdivision (8)(A) and the amount calculated under
2 Subdivision (8)(B);

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

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

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

13 (c) The officer or employee designated by the governing body
14 of each taxing unit to calculate the no-new-taxes tax rate and the
15 rollback tax rate for the unit must electronically submit to the
16 comptroller:

17 (1) the information described by Subsection (b) as the
18 information becomes available; and

19 (2) the worksheets prepared under Section 26.04(d-1)
20 at the same time the officer or employee submits the tax rates to
21 the governing body of the unit under Section 26.04(e).

22 (d) The comptroller shall deliver by e-mail to the
23 designated officer or employee confirmation of receipt of the
24 worksheets submitted under Subsection (c)(2). The comptroller
25 shall incorporate the worksheets into the database and make them
26 available to the public not later than the third day after the date
27 the comptroller receives them.

1 SECTION 4. Sections 25.19(b) and (i), Tax Code, are amended
2 to read as follows:

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

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

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

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

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

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

21 [~~6~~] in italic typeface, the following statement:
22 "The Texas Legislature does not set the amount of your local taxes.
23 Your property tax burden is decided by your locally elected
24 officials, and all inquiries concerning your taxes should be
25 directed to those officials";

26 (6) [~~7~~] a detailed explanation of the time and
27 procedure for protesting the value;

1 (7) [~~(8)~~] the date and place the appraisal review
2 board will begin hearing protests; and

3 (8) [~~(9)~~] a brief explanation that the governing body
4 of each taxing unit decides whether or not taxes on the property
5 will increase and the appraisal district only determines the value
6 of the property.

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

13 SECTION 5. Sections 26.01(c) and (d), Tax Code, are amended
14 to read as follows:

15 (c) The chief appraiser shall prepare and certify to the
16 assessor for each taxing unit a listing of those properties which
17 are taxable by that unit but which are under protest and therefore
18 not included on the appraisal roll approved by the appraisal review
19 board and certified by the chief appraiser. This listing shall
20 include the appraised market value, productivity value (if
21 applicable), and taxable value as determined by the appraisal
22 district and shall also include the market value, taxable value,
23 and productivity value (if applicable) as claimed by the property
24 owner filing the protest if available. If the property owner does
25 not claim a value and the appraised value of the property in the
26 current year is equal to or less than its value in the preceding
27 year, the listing shall include a reasonable estimate of the market

1 value, taxable value, and productivity value (if applicable) that
2 would be assigned to the property if the taxpayer's claim is upheld.
3 If the property owner does not claim a value and the appraised value
4 of the property is higher than its appraised value in the preceding
5 year, the listing shall include the appraised market value,
6 productivity value (if applicable) and taxable value of the
7 property in the preceding year, except that if there is a reasonable
8 likelihood that the appraisal review board will approve a lower
9 appraised value for the property than its appraised value in the
10 preceding year, the chief appraiser shall make a reasonable
11 estimate of the taxable value that would be assigned to the property
12 if the property owner's claim is upheld. A school district [~~The~~
13 ~~taxing unit~~] shall use the lower value for calculations as
14 prescribed in Section [~~Sections~~] 26.04 [~~and 26.041 of this code~~].

15 (d) The chief appraiser shall prepare and certify to the
16 assessor for each taxing unit a list of those properties of which
17 the chief appraiser has knowledge that are reasonably likely to be
18 taxable by that unit but that are not included on the appraisal roll
19 certified to the assessor under Subsection (a) or included on the
20 listing certified to the assessor under Subsection (c). The chief
21 appraiser shall include on the list for each property the market
22 value, appraised value, and kind and amount of any partial
23 exemptions as determined by the appraisal district for the
24 preceding year and a reasonable estimate of the market value,
25 appraised value, and kind and amount of any partial exemptions for
26 the current year. Until the property is added to the appraisal
27 roll, the assessor for the taxing unit shall include each property

1 on the list in the calculations prescribed by Section [~~Sections~~]
2 26.04 [~~and 26.041~~], and, in the case of the assessor for a school
3 district, shall for that purpose [~~shall~~] use the lower market
4 value, appraised value, or taxable value, as appropriate, included
5 on or computed using the information included on the list for the
6 property.

7 SECTION 6. Section 26.012(7), Tax Code, is amended to read
8 as follows:

9 (7) "Debt" means a bond, warrant, certificate of
10 obligation, or other evidence of indebtedness owed by a taxing unit
11 that has been approved at an election and is payable solely from
12 property taxes in installments over a period of more than one year,
13 not budgeted for payment from maintenance and operations funds, and
14 secured by a pledge of property taxes, or a payment made under
15 contract to secure indebtedness of a similar nature issued by
16 another political subdivision on behalf of the taxing unit.

17 SECTION 7. Section 26.012(9), Tax Code, is redesignated as
18 Section 26.012(18), Tax Code, and amended to read as follows:

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

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

26 SECTION 8. Chapter 26, Tax Code, is amended by adding
27 Section 26.035 to read as follows:

1 Sec. 26.035. CALCULATION OF NO-NEW-TAXES AND ROLLBACK TAX
2 RATES OF TAXING UNIT OTHER THAN SCHOOL DISTRICT. (a) This section
3 does not apply to a school district.

4 (b) Notwithstanding Section 26.012, in this section:

5 (1) "Actual collection rate" means the amount computed
6 by dividing the total amount of taxes, including delinquent taxes
7 and any penalties and interest on those taxes, collected between
8 July 1 of a tax year and June 30 of the following tax year by the
9 total amount of taxes levied in the tax year, expressed as a
10 percentage. If the actual collection rate exceeds 100 percent, the
11 rate may not be reduced to 100 percent.

12 (2) "Adjustment for additional sales tax" means the
13 rate expressed in dollars per \$100 of taxable value computed by
14 dividing the amount of additional sales and use tax revenue for the
15 current tax year as determined under Section 26.041 by the current
16 year total taxable value for rollback calculation.

17 (3) "Adjustment for indigent health care" means the
18 rate determined under Section 26.0441.

19 (4) "Adjustment for state criminal justice mandate"
20 means the rate determined under Section 26.044.

21 (5) "Average collection rate" means the average of the
22 actual collection rates for a taxing unit for the preceding three
23 tax years.

24 (6) "Current year debt rate" means a rate expressed in
25 dollars per \$100 of taxable value computed by:

26 (A) adding debt service and excess collections;

27 (B) multiplying the amount computed under

1 Paragraph (A) by the average collection rate; and
2 (C) dividing the amount computed under Paragraph
3 (B) by the current year total taxable value for rollback
4 calculation.

5 (7) "Current year taxable value of homesteads subject
6 to tax limitation" in the case of a county, municipality, or junior
7 college district means the taxable value of residence homesteads
8 that qualify for a limitation on taxes imposed by the county,
9 municipality, or junior college district as provided by Section
10 11.261 for the current tax year.

11 (8) "Current year taxable value of new improvements"
12 means the amount computed by adding:

13 (A) the taxable value of new improvements to real
14 property that were not on the appraisal roll for the preceding tax
15 year; and

16 (B) the difference between the taxable value of
17 real property that is fully taxable in the current tax year but was
18 not taxable wholly or partly in the preceding tax year because the
19 real property was subject to a tax abatement agreement and the
20 taxable value of the real property in the preceding tax year.

21 (9) "Current year taxable value of property annexed"
22 means the taxable value of real property and personal property
23 located in territory annexed to a taxing unit after January 1 of the
24 preceding tax year.

25 (10) "Current year total taxable value" means the
26 amount computed by adding the following applicable amounts:

27 (A) the total taxable value of property listed on

1 the certified appraisal roll for the current tax year, including
2 all appraisal roll supplements and corrections, as of the date of
3 the calculation;

4 (B) the taxable value of properties under protest
5 that are included on the list prepared by the chief appraiser under
6 Section 26.01(c);

7 (C) the taxable value of properties known to the
8 chief appraiser that are included on the list prepared by the chief
9 appraiser under Section 26.01(d); and

10 (D) in the case of a county, the county's
11 apportioned amount of the market value of rolling stock certified
12 to the county assessor-collector by the comptroller under Section
13 24.38.

14 (11) "Current year total taxable value for rollback
15 calculation" means the difference between the current year total
16 taxable value and the current year taxable value of homesteads
17 subject to tax limitation.

18 (12) "No-new-taxes maintenance and operations rate"
19 means a rate expressed in dollars per \$100 of taxable value computed
20 by:

21 (A) dividing the maintenance and operations tax
22 rate for the preceding tax year by the adopted tax rate for the
23 preceding tax year; and

24 (B) multiplying the amount computed under
25 Paragraph (A) by the no-new-taxes tax rate for the current tax year.

26 (13) "Preceding year taxable value in excess of new
27 special appraisal" means, for real property that has qualified for

1 special appraisal under Chapter 23 for the first time in the current
2 tax year, the difference between the taxable value of the property
3 in the preceding tax year and the taxable value of the property in
4 the current tax year.

5 (14) "Preceding year taxable value of homesteads
6 subject to tax limitation" means, for a county, municipality, or
7 junior college district, the taxable value of residence homesteads
8 that qualified for a limitation on taxes imposed by the county,
9 municipality, or junior college district as provided by Section
10 11.261 for the preceding tax year.

11 (15) "Preceding year taxable value of newly exempt
12 real property" means the amount computed by adding:

13 (A) in the case of real property that is wholly
14 exempt from taxation for the first time in the current tax year, the
15 taxable value of the real property in the preceding tax year; and

16 (B) in the case of real property that is
17 partially exempt from taxation in the current tax year, the
18 difference between the amount of the value of the property that is
19 exempt from taxation in the current tax year and the amount of the
20 value of the property that was exempt from taxation in the preceding
21 tax year.

22 (16) "Preceding year taxable value of property
23 disannexed" means the taxable value of property that was taxable in
24 the preceding tax year but is not taxable in the current tax year
25 because the property is located in territory that ceased to be a
26 part of the taxing unit after January 1 of the preceding tax year.

27 (17) "Preceding year total taxable value" means the

1 total taxable value of property listed on the certified appraisal
2 roll for the preceding tax year, including all appraisal roll
3 supplements and corrections, as of the date of the calculation.
4 Appraisal roll corrections include any adjustments to taxable value
5 resulting from final court decisions regardless of whether the
6 appraisal roll has been corrected under Section 42.41 as of the date
7 of the calculation.

8 (18) "Tax levy, adjusted for lost value," means the
9 amount computed by:

10 (A) subtracting from the preceding year total
11 taxable value the sum of the following amounts:

12 (i) the preceding year taxable value of
13 homesteads subject to tax limitation;

14 (ii) the preceding year taxable value of
15 property disannexed;

16 (iii) the preceding year taxable value of
17 newly exempt real property; and

18 (iv) the preceding year taxable value in
19 excess of new special appraisal;

20 (B) dividing the amount computed under Paragraph
21 (A) by 100; and

22 (C) multiplying the amount computed under
23 Paragraph (B) by the tax rate for the preceding tax year.

24 (19) "Taxable value, adjusted for new value," means
25 the amount computed by subtracting from the current year total
26 taxable value the sum of the following amounts:

27 (A) the current year taxable value of homesteads

1 subject to tax limitation;

2 (B) the current year taxable value of property
3 annexed; and

4 (C) the current year taxable value of new
5 improvements.

6 (c) For purposes of Subsection (b)(10)(A), appraisal roll
7 corrections include any adjustments to taxable value resulting from
8 final court decisions, regardless of whether the appraisal roll has
9 been corrected under Section 42.41 as of the date of the
10 calculation.

11 (d) For purposes of Subsections (b)(10)(B) and (C), the
12 taxable value of property means the taxable value of the property as
13 determined by the appraisal district rather than the value as
14 claimed by the property owner or estimated by the chief appraiser.

15 (e) The no-new-taxes tax rate of a taxing unit is the rate
16 expressed in dollars per \$100 of taxable value computed by dividing
17 the tax levy, adjusted for lost value, by the taxable value,
18 adjusted for new value.

19 (f) The rollback tax rate of a taxing unit is the rate
20 expressed in dollars per \$100 of taxable value computed by:

21 (1) adding the following rates:

22 (A) the product of the no-new-taxes maintenance
23 and operations rate and 1.05;

24 (B) the current year debt rate;

25 (C) the adjustment for state criminal justice
26 mandate; and

27 (D) the adjustment for indigent health care; and

1 (2) subtracting from the rate computed under
2 Subdivision (1) the adjustment for additional sales tax.

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

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

7 SECTION 10. Section 26.04, Tax Code, is amended by amending
8 Subsections (c), (d), (e), (f), (g), (i), and (j) and adding
9 Subsections (d-1) and (e-2) to read as follows:

10 (c) An officer or employee designated by the governing body
11 shall calculate the no-new-taxes [~~effective~~] tax rate and the
12 rollback tax rate for the unit, where:

13 (1) "No-new-taxes tax rate" means:

14 (A) for a taxing unit other than a school
15 district, the no-new-taxes tax rate calculated under Section
16 26.035; and

17 (B) for a school district, [~~"Effective tax rate"~~
18 means] a rate expressed in dollars per \$100 of taxable value
19 calculated according to the following formula:

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

23 ; and

24 (2) "Rollback tax rate" means:

25 (A) for a taxing unit other than a school
26 district, the rollback tax rate calculated under Section 26.035;
27 and

1 (B) for a school district, the rate calculated
2 under Section 26.08. [~~a rate expressed in dollars per \$100 of~~
3 ~~taxable value calculated according to the following formula:~~

4 [~~ROLLBACK TAX RATE = (EFFECTIVE MAINTENANCE AND OPERATIONS~~
5 ~~RATE x 1.08) + CURRENT DEBT RATE]~~

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

11 (d-1) The designated officer or employee shall calculate
12 the no-new-taxes tax rate and the rollback tax rate for the taxing
13 unit using the forms prescribed by the comptroller under Section
14 5.07(f).

15 (e) By August 7 or as soon thereafter as practicable, the
16 designated officer or employee shall submit the rates to the
17 governing body. The designated officer or employee [~~He~~] shall
18 deliver by mail to each property owner in the unit or publish in a
19 newspaper in the form prescribed by the comptroller:

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

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

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

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

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

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

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

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

23 (6) in a year [~~the~~] in which [~~that~~] a taxing unit
24 calculates an adjustment under Subsection (i) or (j), a schedule
25 that includes the following elements:

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

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

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

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

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

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

20 (e-2) By August 7 or as soon thereafter as practicable, the
21 county assessor-collector for each county shall deliver by regular
22 mail or e-mail to each owner of property located in the county and
23 shall post in a conspicuous place on the home page of the Internet
24 website of the county assessor-collector a notice that the
25 estimated amount of taxes to be imposed on the owner's property by
26 each taxing unit in which the property is located may be found in
27 the property tax database maintained by the comptroller under

1 Section 5.092. The notice must include:

2 (1) the address of the Internet website at which the
3 information may be found;

4 (2) a statement that the property owner may request a
5 written copy of the information from the assessor for each taxing
6 unit in which the property is located; and

7 (3) the address and telephone number of each assessor
8 from whom the written copy may be requested.

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

14 (g) A person who owns taxable property is entitled to an
15 injunction prohibiting the taxing unit in which the property is
16 taxable from adopting a tax rate if the assessor or designated
17 officer or employee of the unit, as applicable, has not complied
18 with the computation or publication requirements of this section or
19 Section 5.092(c) ~~[and the failure to comply was not in good faith]~~.

20 (i) This subsection applies to a taxing unit that has agreed
21 by written contract to transfer a distinct department, function, or
22 activity to another taxing unit and discontinues operating that
23 distinct department, function, or activity if the operation of that
24 department, function, or activity in all or a majority of the
25 territory of the taxing unit is continued by another existing
26 taxing unit or by a new taxing unit. The rollback tax rate of a
27 taxing unit to which this subsection applies in the first tax year

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

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

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

21 SECTION 11. The heading to Section 26.041, Tax Code, is
22 amended to read as follows:

23 Sec. 26.041. CALCULATION OF [~~TAX RATE OF UNIT IMPOSING~~]
24 ADDITIONAL SALES AND USE TAX REVENUE.

25 SECTION 12. Sections 26.041(d), (g), and (h), Tax Code, are
26 amended to read as follows:

27 (d) In order to determine the amount of additional sales and

1 use tax revenue for the current tax year for purposes of calculating
2 the adjustment for additional sales tax under Section 26.035 [~~this~~
3 ~~section~~], the designated officer or employee of a taxing unit shall
4 use the sales and use tax revenue for the last preceding four
5 quarters for which the information is available as the basis for
6 projecting the additional sales and use tax revenue for the current
7 tax year. If the rate of the additional sales and use tax is
8 increased or reduced, the projection to be used for the first tax
9 year after the effective date of the sales and use tax change shall
10 be adjusted to exclude any revenue gained or lost because of the
11 sales and use tax rate change. If the unit did not impose an
12 additional sales and use tax for the last preceding four quarters,
13 the designated officer or employee shall request the comptroller of
14 public accounts to provide to the officer or employee a report
15 showing the estimated amount of taxable sales and uses within the
16 unit for the previous four quarters as compiled by the comptroller,
17 and the comptroller shall comply with the request. The officer or
18 employee shall prepare the estimate of the additional sales and use
19 tax revenue for the first year of the imposition of the tax by
20 multiplying the amount reported by the comptroller by the
21 appropriate additional sales and use tax rate and by multiplying
22 that product by .95.

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

1 account the increase and the second projection must not take into
 2 account the increase. The officer or employee shall then subtract
 3 the amount of the result of the second projection from the amount of
 4 the result of the first projection to determine the revenue
 5 generated as a result of the increase in the additional sales and
 6 use tax rate. In the first year in which an additional sales and use
 7 tax rate is increased, the amount of additional sales and use tax
 8 revenue calculated under this section must include [~~effective tax~~
 9 ~~rate for the unit is the effective tax rate before the increase~~
 10 ~~minus a number the numerator of which is~~] the revenue projected to
 11 be generated as a result of the increase in the additional sales and
 12 use tax rate [~~, as determined under this subsection, and the~~
 13 ~~denominator of which is the current total value minus the new~~
 14 ~~property value~~].

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

1 ~~for the unit is the effective tax rate before the decrease plus a~~
2 ~~number the numerator of which is] the revenue projected to be lost~~
3 as a result of the decrease in the additional sales and use tax rate
4 ~~[, as determined under this subsection, and the denominator of~~
5 ~~which is the current total value minus the new property value].~~

6 SECTION 13. The heading to Section 26.043, Tax Code, is
7 amended to read as follows:

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

10 SECTION 14. Sections 26.043(a) and (b), Tax Code, are
11 amended to read as follows:

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

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

27 SECTION 15. Section 26.044, Tax Code, is amended to read as

1 follows:

2 Sec. 26.044. ROLLBACK [~~EFFECTIVE~~] TAX RATE TO PAY FOR STATE
3 CRIMINAL JUSTICE MANDATE. (a) The first time that a county adopts
4 a tax rate after September 1, 1991, in which the state criminal
5 justice mandate applies to the county, the adjustment for state
6 criminal justice mandate under Section 26.035 is the rate expressed
7 in dollars per \$100 of taxable value calculated by dividing the
8 state criminal justice mandate by the current year total taxable
9 value for rollback calculation. [~~effective maintenance and~~
10 ~~operation rate for the county is increased by the rate calculated~~
11 ~~according to the following formula:~~

12 ~~[(State Criminal Justice Mandate) / (Current Total~~
13 ~~Value - New Property Value)]~~

14 (b) In the second and subsequent years that a county adopts
15 a tax rate, if the amount spent by the county for the state criminal
16 justice mandate increased over the previous year, the adjustment
17 for state criminal justice mandate under Section 26.035 is the rate
18 expressed in dollars per \$100 of taxable value calculated by:

19 (1) subtracting the previous year's state criminal
20 justice mandate from the state criminal justice mandate for the
21 current year; and

22 (2) dividing the amount computed under Subdivision (1)
23 by the current year total taxable value for rollback calculation.

24 [~~effective maintenance and operation rate for the county is~~
25 ~~increased by the rate calculated according to the following~~
26 ~~formula:~~

27 ~~[(This Year's State Criminal Justice Mandate -~~

1 ~~Previous Year's State Criminal Justice Mandate) /~~
2 ~~(Current Total Value - New Property Value)]~~

3 (c) The county shall include a notice of the increase in the
4 rollback tax ~~[effective maintenance and operation]~~ rate as a result
5 of the adjustment for state criminal justice mandate ~~[provided by~~
6 ~~this section]~~, including a description and the amount of the state
7 criminal justice mandate, in the information published under
8 Section 26.04(e) and, if applicable, Section 26.06(b) ~~[of this~~
9 ~~code]~~.

10 (d) In this section:

11 (1) "Adjustment for state criminal justice mandate"
12 and "current year total taxable value for rollback calculation"
13 have the meanings assigned by Section 26.035.

14 (2) "State ~~["state]~~ criminal justice mandate" means

15 the amount spent by the county in the previous 12 months providing
16 for the maintenance and operation cost of keeping inmates in
17 county-paid facilities after they have been sentenced to the Texas
18 Department of Criminal Justice as certified by the county auditor
19 based on information provided by the county sheriff, minus the
20 amount received from state revenue for reimbursement of such costs.

21 SECTION 16. Section 26.0441, Tax Code, is amended to read as
22 follows:

23 Sec. 26.0441. ROLLBACK TAX RATE ADJUSTMENT FOR INDIGENT
24 HEALTH CARE. (a) In the first tax year in which a taxing unit
25 adopts a tax rate after January 1, 2000, and in which the enhanced
26 minimum eligibility standards for indigent health care established
27 under Section 61.006, Health and Safety Code, apply to the taxing

1 unit, the adjustment for indigent health care under Section 26.035
2 is the rate expressed in dollars per \$100 of taxable value
3 calculated by dividing the enhanced indigent health care
4 expenditures by the current year total taxable value for rollback
5 calculation. [~~effective maintenance and operations rate for the~~
6 ~~taxing unit is increased by the rate computed according to the~~
7 ~~following formula:~~

8 ~~[Amount of Increase = Enhanced Indigent Health Care~~
9 ~~Expenditures / (Current Total Value - New Property~~
10 ~~Value)]~~

11 (b) In each subsequent tax year, if the taxing unit's
12 enhanced indigent health care expenses exceed the amount of those
13 expenses for the preceding year, the adjustment for indigent health
14 care under Section 26.035 is the rate expressed in dollars per \$100
15 of taxable value calculated by:

16 (1) subtracting the preceding tax year's enhanced
17 indigent health care expenditures from the current tax year's
18 enhanced indigent health care expenditures; and

19 (2) dividing the amount computed under Subdivision (1)
20 by the current year total taxable value for rollback calculation.

21 [~~effective maintenance and operations rate for the taxing unit is~~
22 ~~increased by the rate computed according to the following formula:~~

23 ~~[Amount of Increase = (Current Tax Year's Enhanced~~
24 ~~Indigent Health Care Expenditures - Preceding Tax~~
25 ~~Year's Indigent Health Care Expenditures) / (Current~~
26 ~~Total Value - New Property Value)]~~

27 (c) The taxing unit shall include a notice of the increase

1 in its rollback tax [~~effective maintenance and operations~~] rate as
2 a result of the adjustment for indigent health care [~~provided by~~
3 ~~this section~~], including a brief description and the amount of the
4 enhanced indigent health care expenditures, in the information
5 published under Section 26.04(e) and, if applicable, Section
6 26.06(b).

7 (d) In this section:

8 (1) "Adjustment for indigent health care" and "current
9 year total taxable value for rollback calculation" have the
10 meanings assigned by Section 26.035.

11 (2) "Enhanced [~~,"enhanced~~] indigent health care
12 expenditures" for a tax year means the amount spent by the taxing
13 unit for the maintenance and operation costs of providing indigent
14 health care at the increased minimum eligibility standards
15 established under Section 61.006, Health and Safety Code, effective
16 on or after January 1, 2000, in the period beginning on July 1 of the
17 year preceding the tax year for which the tax is adopted and ending
18 on June 30 of the tax year for which the tax is adopted, less the
19 amount of state assistance received by the taxing unit in
20 accordance with Chapter 61, Health and Safety Code, that is
21 attributable to those costs.

22 SECTION 17. Section 26.05, Tax Code, is amended by adding
23 Subsections (a-1), (d-1), (d-2), (e-1), and (e-2) and amending
24 Subsections (b), (c), (d), and (g) to read as follows:

25 (a-1) This subsection applies only to a taxing unit that
26 imposes an additional sales and use tax. For purposes of Subsection
27 (a)(2), the amount needed to fund maintenance and operation

1 expenditures of the taxing unit for the next year is reduced by the
2 amount, if any, by which the amount of additional sales and use tax
3 revenue that will be generated by the additional sales and use tax
4 in the current tax year as calculated under Section 26.041 exceeds
5 the amount published under Section 26.04(e)(3)(C).

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

1 exceeds the no-new-taxes [~~effective~~] tax rate) percent increase in
2 the tax rate." If the ordinance, resolution, or order sets a tax
3 rate that, if applied to the total taxable value, will impose an
4 amount of taxes to fund maintenance and operation expenditures of
5 the taxing unit that exceeds the amount of taxes imposed for that
6 purpose in the preceding year, the taxing unit must:

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

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

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

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

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

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

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-taxes ~~[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-taxes ~~[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 no-new-taxes
22 ~~[effective]~~ tax rate and may not adopt a higher rate unless it first
23 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

1 no-new-taxes tax rate and the rollback tax rate for the unit
2 electronically submits to the comptroller the information
3 described by Section 5.092(c).

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

7 (1) the comptroller has included the information for
8 the current tax year specified by Section 5.092 in the
9 comptroller's property tax database; and

10 (2) the county assessor-collector for each county in
11 which all or part of the territory of the taxing unit is located has
12 delivered the notice required by Section 26.04(e-2).

13 (e-1) The governing body of a taxing unit that imposes an
14 additional sales and use tax may not adopt a tax rate until the
15 chief financial officer or auditor for the unit submits to the
16 governing body of the unit a written certification that:

17 (1) the amount of additional sales and use tax revenue
18 that will be used to pay debt service has been deducted from the
19 total amount published under Section 26.04(e)(3)(C) as required by
20 Subsection (a)(1) of this section; and

21 (2) if applicable, the amount by which the amount of
22 additional sales and use tax revenue that will be generated by the
23 additional sales and use tax in the current tax year as calculated
24 under Section 26.041 exceeds the amount published under Section
25 26.04(e)(3)(C) has been deducted from the amount needed to fund
26 maintenance and operation expenditures of the unit for the next
27 year as required by Subsection (a-1) of this section.

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

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

16 SECTION 18. Section 26.052(e), Tax Code, is amended to read
17 as 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-taxes [~~effective~~] tax rate calculated as
27 provided by Section 26.04, a statement substantially identical to

1 the following: "The proposed tax rate would increase total taxes in
2 (name of taxing unit) by (percentage by which the proposed tax rate
3 exceeds the no-new-taxes [~~effective~~] tax rate)."

4 SECTION 19. Sections 26.06(b), (c), (d), and (e), Tax Code,
5 are amended to read as follows:

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

10 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

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

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

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

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

27 "The average taxable value of a residence homestead in (name

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

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

23 "If the governing body adopts the proposed tax rate of \$_____
24 (proposed tax rate) per \$100 of taxable value, the amount of taxes
25 imposed this year on the average home would be \$_____ (tax on the
26 average taxable value of a residence in the taxing unit for the
27 current year disregarding residence homestead exemptions available

1 only to disabled persons or persons 65 years of age or older).

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

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

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

19 "NOTICE OF TAX REVENUE INCREASE

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

27 "The total tax revenue proposed to be raised last year at last

1 year's tax rate of (insert tax rate for the preceding year) for each
2 \$100 of taxable value was (insert total amount of taxes imposed in
3 the preceding year).

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, excluding 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 the difference between current
9 total value and new property value).

10 "The total tax revenue proposed to be raised this year at the
11 proposed tax rate of (insert proposed tax rate) for each \$100 of
12 taxable value, including tax revenue to be raised from new property
13 added to the tax roll this year, is (insert amount computed by
14 multiplying proposed tax rate by current total value).

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

19 "The (governing body of the taxing unit) proposes to use the
20 increase in total tax revenue for the purpose of (description of
21 purpose of increase)."

22 (e) The meeting to vote on the tax increase may not be
23 earlier than the third day or later than the 14th day after the date
24 of the second public hearing. The meeting must be held inside the
25 boundaries of the taxing unit in a publicly owned building or, if a
26 suitable publicly owned building is not available, in a suitable
27 building to which the public normally has access. If the governing

1 body does not adopt a tax rate that exceeds the lower of the
2 rollback tax rate or the no-new-taxes ~~[effective]~~ tax rate by the
3 14th day, it must give a new notice under Subsection (d) before it
4 may adopt a rate that exceeds the lower of the rollback tax rate or
5 the no-new-taxes ~~[effective]~~ tax rate.

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

8 (b) The taxing ~~[If the taxing unit owns, operates, or~~
9 ~~controls an Internet website, the]~~ unit shall post notice of the
10 public hearing on the Internet website owned, operated, or
11 controlled by the unit continuously for at least seven days
12 immediately before the public hearing on the proposed tax rate
13 increase and at least seven days immediately before the date of the
14 vote proposing the increase in the tax rate.

15 SECTION 21. Sections 26.08(g), (n), and (p), Tax Code, are
16 amended to read as follows:

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

22 (n) For purposes of this section, the rollback tax rate of a
23 school district whose maintenance and operations tax rate for the
24 2005 tax year was \$1.50 or less per \$100 of taxable value is:

25 (1) for the 2006 tax year, the sum of the rate that is
26 equal to 88.67 percent of the maintenance and operations tax rate
27 adopted by the district for the 2005 tax year, the rate of \$0.04 per

1 \$100 of taxable value, and the district's current debt rate; and

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

4 (A) the sum of the following:

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

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

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

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

17 (B) the sum of the following:

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

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

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

26 (p) Notwithstanding Subsections (i), (n), and (o), if for
27 the preceding tax year a school district adopted a maintenance and

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

8 SECTION 22. Section 26.08(i), Tax Code, as effective
9 September 1, 2017, is amended to read as follows:

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

23 SECTION 23. Section 26.16, Tax Code, is amended by amending
24 Subsections (a) and (d) and adding Subsection (a-1) to read as
25 follows:

26 (a) Each county shall maintain an Internet website. The
27 county assessor-collector for each county [~~that maintains an~~

1 ~~Internet website]~~ shall post on the Internet website maintained by
2 ~~[of]~~ the county the following information for the most recent five
3 tax years beginning with the 2012 tax year for each taxing unit all
4 or part of the territory of which is located in the county:

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

12 (a-1) For purposes of Subsection (a), a reference to the
13 no-new-taxes tax rate or the no-new-taxes maintenance and
14 operations rate includes the equivalent effective tax rate or
15 effective maintenance and operations rate for a preceding year.
16 This subsection expires January 1, 2024.

17 (d) The county assessor-collector shall post immediately
18 below the table prescribed by Subsection (c) the following
19 statement:

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

25 "The adopted tax rate is the tax rate adopted by the governing
26 body of a taxing unit.

27 "The maintenance and operations rate is the component of the

1 adopted tax rate of a taxing unit that will impose the amount of
2 taxes needed to fund maintenance and operation expenditures of the
3 unit for the following year.

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

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

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

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

26 SECTION 24. Section [321.106\(e\)](#), Tax Code, is amended to
27 read as follows:

1 (e) If, in a municipality where a fire control, prevention,
2 and emergency medical services district is composed of the whole
3 municipality, a municipal sales and use tax or a municipal sales and
4 use tax rate increase for the purpose of financing a fire control,
5 prevention, and emergency medical services district is approved,
6 the municipality is responsible for distributing to the district
7 that portion of the municipal sales and use tax revenue received
8 from the comptroller that is to be used for the purposes of
9 financing the fire control, prevention, and emergency medical
10 services district. Not later than the 10th day after the date the
11 municipality receives money under this section from the
12 comptroller, the municipality shall make the distribution in the
13 proportion that the fire control, prevention, and emergency medical
14 services portion of the tax rate bears to the total sales and use
15 tax rate of the municipality. The amounts distributed to a fire
16 control, prevention, and emergency medical services district are
17 not considered to be sales and use tax revenue for the purpose of
18 computations [~~property tax reduction and computation of the~~
19 ~~municipal tax rate~~] under Section 26.041.

20 SECTION 25. Section 321.108(f), Tax Code, is amended to
21 read as follows:

22 (f) If, in a municipality in which a crime control and
23 prevention district is composed of the whole municipality, a
24 municipal sales and use tax or a municipal sales and use tax rate
25 increase for the purpose of financing a crime control and
26 prevention district is approved, the municipality is responsible
27 for distributing to the district that portion of the municipal

1 sales and use tax revenue received from the comptroller that is to
2 be used for the purposes of financing the crime control and
3 prevention district. Not later than the 10th day after the date
4 the municipality receives money under this section from the
5 comptroller, the municipality shall make the distribution in the
6 proportion that the crime control and prevention portion of the tax
7 rate bears to the total sales and use tax rate of the
8 municipality. The amounts distributed to a crime control and
9 prevention district are not considered to be additional municipal
10 sales and use tax revenue for the purpose of computations [~~property~~
11 ~~tax reduction and computation of the municipal tax rate~~] under
12 Section 26.041.

13 SECTION 26. Section 323.105(f), Tax Code, is amended to
14 read as follows:

15 (f) If, in a county where a crime control and prevention
16 district is composed of the whole county, a county sales and use tax
17 or a county sales and use tax rate increase for the purpose of
18 financing a crime control and prevention district is approved, the
19 county is responsible for distributing to the district that portion
20 of the county sales and use tax revenue received from the
21 comptroller that is to be used for the purposes of financing the
22 crime control and prevention district. Not later than the 10th day
23 after the date the county receives funds under this section from the
24 comptroller, the county shall make the distribution in the
25 proportion that the crime control and prevention portion of the tax
26 rate bears to the total sales and use tax rate of the county. The
27 amounts distributed to a crime control and prevention district are

1 not considered to be sales and use tax revenue for the purpose of
2 computations [~~property tax reduction and computation of the county~~
3 ~~tax rate~~] under Section 26.041, Tax Code.

4 SECTION 27. Section 45.105(e), Education Code, is amended
5 to read as follows:

6 (e) The governing body of an independent school district
7 that governs a junior college district under Subchapter B, Chapter
8 130, in a county with a population of more than two million may
9 dedicate a specific percentage of the local tax levy to the use of
10 the junior college district for facilities and equipment or for the
11 maintenance and operating expenses of the junior college district.
12 To be effective, the dedication must be made by the governing body
13 on or before the date on which the governing body adopts its tax
14 rate for a year. The amount of local tax funds derived from the
15 percentage of the local tax levy dedicated to a junior college
16 district from a tax levy may not exceed the amount that would be
17 levied by five percent of the no-new-taxes [~~effective~~] tax rate for
18 the tax year calculated as provided by Section 26.04, Tax Code, on
19 all property taxable by the school district. All real property
20 purchased with these funds is the property of the school district,
21 but is subject to the exclusive control of the governing body of the
22 junior college district for as long as the junior college district
23 uses the property for educational purposes.

24 SECTION 28. Section 102.007(d), Local Government Code, is
25 amended to read as follows:

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

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

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

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

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

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

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

27 (A) the property tax rate;

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

7 SECTION 29. Section 111.008(d), Local Government Code, is
8 amended to read as follows:

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

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

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

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

27 (C) "This budget will raise the same amount of

1 revenue from property taxes as last year's budget. The property tax
2 revenue to be raised from new property added to the tax roll this
3 year is (insert amount computed by multiplying the proposed tax
4 rate by the value of new property added to the roll).";

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

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

10 (A) the property tax rate;

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

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

14 (D) the rollback tax rate; and

15 (E) the debt rate; and

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

17 SECTION 30. Section [111.039\(d\)](#), Local Government Code, is
18 amended to read as follows:

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

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

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

22 (C) the no-new-taxes [~~effective~~] maintenance and
23 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 31. Section [111.068\(c\)](#), Local Government Code, is

1 amended to read as follows:

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

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

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

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

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

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

27 (3) the county property tax rates for the preceding

1 fiscal year, and each county property tax rate that has been adopted
2 or calculated for the current fiscal year, including:

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

10 SECTION 32. Sections 140.010(a), (d), and (e), Local
11 Government Code, are amended to read as follows:

12 (a) In this section, "no-new-taxes [~~effective~~] tax rate"
13 and "rollback tax rate" mean the no-new-taxes [~~effective~~] tax rate
14 and rollback tax rate of a county or municipality, as applicable, as
15 calculated under Chapter 26, Tax Code.

16 (d) A county or municipality that proposes a property tax
17 rate that does not exceed the lower of the no-new-taxes [~~effective~~]
18 tax rate or the rollback tax rate shall provide the following
19 notice:

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

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

24	PROPOSED TAX RATE	\$_____ per \$100
25	PRECEDING YEAR'S TAX RATE	\$_____ per \$100
26	<u>NO-NEW-TAXES</u> [EFFECTIVE TAX] RATE	\$_____ per \$100

27 "The no-new-taxes [~~effective tax~~] rate is the total tax rate needed

1 to raise the same amount of property tax revenue for (insert name of
2 county or municipality) from the same properties in both the
3 (insert preceding tax year) tax year and the (insert current tax
4 year) tax year.

5 "YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS
6 FOLLOWS:

7 property tax amount = (rate) x (taxable value of your property) /
8 100

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

11 (insert name of county or municipal tax assessor-collector)
12 (insert name of county or municipality) tax
13 assessor-collector
14 (insert address)
15 (insert telephone number)
16 (insert e-mail address)
17 (insert Internet website address[~~, if applicable~~])"

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

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

23 "A tax rate of \$_____ per \$100 valuation has been proposed for
24 adoption by the governing body of (insert name of county or
25 municipality). This rate exceeds the lower of the no-new-taxes
26 [~~effective~~] or rollback tax rate, and state law requires that two
27 public hearings be held by the governing body before adopting the

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	<u>NO-NEW-TAXES</u> [EFFECTIVE TAX] RATE	\$_____ per \$100
7	ROLLBACK TAX RATE	\$_____ per \$100

8 "The no-new-taxes [~~effective tax~~] rate is the total tax rate needed
9 to raise the same amount of property tax revenue for (insert name of
10 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 voters are entitled to
15 petition for an election to limit the rate that may be approved to
16 the rollback 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)

1 (insert e-mail address)

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

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

5 First Hearing: (insert date and time) at (insert location of
6 meeting).

7 Second Hearing: (insert date and time) at (insert location
8 of meeting)."

9 SECTION 33. The following provisions are repealed:

10 (1) Section 26.03, Tax Code;

11 (2) Sections 26.041(a), (b), (c), and (e), Tax Code;

12 and

13 (3) Section 26.045, Tax Code.

14 SECTION 34. (a) Not later than September 1, 2019, the
15 comptroller shall appoint the members of an advisory group to
16 provide to the comptroller advice and assistance regarding the
17 creation and operation of the property tax database required by
18 Section 5.092, Tax Code, as added by this Act, and related matters.
19 The advisory group is composed of 13 members as follows:

20 (1) one person who is an employee of the office of the
21 lieutenant governor;

22 (2) one person who is an employee of the office of the
23 speaker of the house of representatives;

24 (3) four persons who are county tax
25 assessor-collectors;

26 (4) two persons who are assessors or collectors for
27 taxing units but are not county tax assessor-collectors;

1 (5) two persons who are chief appraisers of appraisal
2 districts;

3 (6) one person who is a financial officer or auditor of
4 a municipality;

5 (7) one person who is a financial officer or auditor of
6 a county; and

7 (8) one person who is a representative of water
8 districts.

9 (b) The advisory group is abolished and this section expires
10 December 31, 2021.

11 SECTION 35. The comptroller shall comply with Sections
12 5.07(f) and 5.092, Tax Code, as added by this Act, not later than
13 June 1, 2020.

14 SECTION 36. (a) Except as provided by Subsections (b), (c),
15 and (d) of this section, this Act takes effect January 1, 2018.

16 (b) The following provisions take effect December 1, 2017:

17 (1) Section 5.091, Tax Code, as amended by this Act;

18 (2) Section 34 of this Act; and

19 (3) Section 26.065(b), Tax Code, as amended by this
20 Act.

21 (c) The following provisions take effect September 1, 2019:

22 (1) Section 5.07(f), Tax Code, as added by this Act;

23 and

24 (2) Section 5.092, Tax Code, as added by this Act.

25 (d) The following provisions take effect January 1, 2020:

26 (1) Sections 25.19(b) and (i), Tax Code, as amended by
27 this Act;

1 (2) Sections 26.04(d-1) and (e-2), Tax Code, as added
2 by this Act;

3 (3) Section 26.04(g), Tax Code, as amended by this
4 Act; and

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