

## **BILL ANALYSIS**

Senate Research Center

S.B. 2  
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Property Tax  
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Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Property Tax Reform and Relief Act of 2019 has four main goals: (1) lower the rollback rate from 8 percent to 2.5 percent for the largest taxing units in the state; (2) require an automatic tax ratification election if the rollback rate is exceeded, eliminating the petition requirement in current statute; (3) make information about the tax rates proposed by local taxing units more accessible to property owners and more timely; and (4) make it easier for property owners to express their opinions about proposed tax rates to local elected officials before tax rates are adopted.

Under current law, voters in any taxing unit may petition for a rollback election when the taxing unit adopts a total tax rate that includes an increase of more than 8 percent in the effective maintenance and operation rate. For taxing units that collect more than \$15 million in property tax levy plus sales tax, C.S.S.B. 2 lowers the 8 percent threshold to 2.5 percent and requires an automatic rollback election if the taxing unit adopts a tax that exceeds the 2.5 percent threshold. Taxing units that collect no more than \$15 million in property tax levy and sales tax remain at the current 8 percent threshold and retain the current petition requirement for a rollback election. Voters in these taxing units will be able to vote in the next scheduled election to opt in to the requirements of C.S.S.B. 2.

C.S.S.B. 2 renames the effective tax rate as the "no-new-revenue tax rate" and the rollback rate as the "voter-approved rate" so that property owners and local elected officials can better understand and utilize this benchmark for evaluating the tax rates proposed by local taxing units. The calculation currently referred to as the effective tax rate, and which C.S.S.B. 2 renames the no-new-revenue tax rate, is required by Article 8, Section 21 of the Texas Constitution.

C.S.S.B. 2 creates a new, online "real-time tax rate notice" to inform property owners of the tax rates proposed by their local taxing units. The real-time tax rate notice is analogous to the notice of appraised value that property owners receive each spring under current law and will be available at a website that allows property owners to enter their address and then view a tax rate notice customized to their property. The notice will display each taxing unit in which the property is located, as well as the proposed tax rate, no-new-revenue tax rate, and rollback tax rate for each taxing unit. The notice will also display the taxable value of the property and will calculate the amount of property tax that would be imposed on the property at the proposed tax rate, the no new-revenue tax rate, and the rollback tax rate. The real-time tax notice will provide an e-mail address for each local government within which a property is located so that property owners can express their support or opposition for the tax rates proposed by those local governments and, most importantly, will be available online in time for property owners to express their support or opposition for the proposed tax rates before those rates are adopted.

C.S.S.B. 2 also revises and reformats the tax notice required by Section 26.06, Tax Code, to increase the understandability and usefulness of the notice to taxpayers. For example, the notice will clearly state whether or not the proposed tax rate represents a tax increase and whether or not a rollback election will be held if the taxing unit adopts the proposed tax rate. The notice will also display a table comparing, both in dollar values and percentage change, (i) the property tax on the average homestead in the taxing unit last year to (ii) the property tax that would be imposed on the average homestead in the taxing unit this year at the proposed tax rate and the equivalent tax rate, so that property owners can clearly see whether the proposed tax rate represents a tax increase or decrease and the magnitude of the change. To further increase

transparency, C.S.S.B. 2 requires each appraisal review board (ARB) to separately state the value of the land and the improvements.

To ensure compliance, C.S.S.B. 2 prohibits a local taxing unit from adopting a tax rate if the unit has not complied with procedures required by law that relate to accuracy, notification and transparency in the property tax process. C.S.S.B. 2 strengthens taxpayer remedies, in the form of an injunction, if taxing units fail to comply with those requirements.

C.S.S.B. 2 makes several reforms to the appraisal review process. In counties with populations of one million or more, C.S.S.B. 2 establishes specialized ARB panels to hear protests for different categories of commercial properties that exceed \$50 million in value. The bill clarifies that a majority vote by ARB members is binding for decisions and thus prohibits ARB panels from requiring a unanimous vote. C.S.S.B. 2 also eliminates Sunday ARB hearings and requires evening hearings to be scheduled to begin between 5 p.m. and 7 p.m. The bill sets the statutory deadline for filing all property tax protests to May 15, regardless of the type of property, and requires all appraisal districts to follow appraisal manuals issued by the comptroller of public accounts of the State of Texas (comptroller). Finally, C.S.S.B. 2 eliminates the ability of local governments to challenge the value of an entire class of properties.

C.S.S.B. 2 creates a Property Tax Administration Advisory Board in the Office of the Comptroller of Public Accounts of the State of Texas to oversee the entire property tax process. In addition, the bill increases the number of required training and continuing education hours for ARB members from 8 to 16 and establishes standardized appraisal methods and techniques to be used across the state.

In order to protect the state's first responders, the bill prohibits counties and municipalities from adopting a budget in the 2020 fiscal year that decreases first responders' compensation due to a reduction in the rollback rate.

C.S.S.B. 2 creates changes relating to both the rollback tax rate calculation and ballot language for ISD's, including adjustments to the school district rollback tax rate calculation to reflect the 2.5 percent revenue cap recommendation in the Public School Finance Commission Report. The bill also modifies the required ballot language if an election is required due to a district wishing to exceed the 2.5 percent revenue increase. (Original Author's/Sponsor's Statement of Intent)

S.B. 2 amends current law relating to ad valorem taxation and authorizes fees.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the comptroller of public accounts of the State of Texas (comptroller) in SECTION 8 (Section 5.043, Tax Code), SECTION 14 (Section 5.104, Tax Code), and SECTION 36 (Section 26.04, Tax Code) of this bill.

Rulemaking authority previously granted to the comptroller is modified in SECTION 13 (Section 5.102, Tax Code) and SECTION 75 (Section 403.302, Government Code) of this bill.

Rulemaking authority previously granted to an appraisal review board is modified in SECTION 68 (Section 41.71, Tax Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Authorizes this Act to be cited as the Texas Property Tax Reform and Transparency Act of 2019.

SECTION 2. Amends Chapter 1, Tax Code, by adding Section 1.045, as follows:

Sec. 1.045. REFERENCE TO CERTAIN TERMS IN LAW. Provides that unless the context indicates otherwise:

(1) a reference in law to a taxing unit's effective maintenance and operations rate is a reference to the taxing unit's no-new-revenue maintenance and operations rate, as defined by Chapter 26 (Assessment);

(2) a reference in law to a taxing unit's effective tax rate is a reference to the taxing unit's no-new-revenue tax rate, as defined by Chapter 26; and

(3) a reference in law to a taxing unit's rollback tax rate is a reference to the taxing unit's voter-approval tax rate, as defined by Chapter 26.

SECTION 3. Amends Section 1.07(a), Tax Code, as follows:

(a) Authorizes an official or agency required by this title (Property Tax Code) to deliver a notice to a property owner to deliver the notice by regular first-class mail, with postage prepaid, unless this section (Delivery of Notice) or another provision of this title requires or authorizes a different method of delivery or the parties agree that the notice must be delivered as provided by Section 1.085 (Communication in Electronic Format) or 1.086.

SECTION 4. Amends Section 1.085(a), Tax Code, as follows:

(a) Authorizes any notice, rendition, application form, or completed application, or information requested under Section 41.461(a)(2) (relating to a property owner's ability to inspect and obtain certain information), 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 a person designated by a property owner under Section 1.111(f) (relating to delivery of notices to a specified person rather than a property owner) to be delivered in an electronic format if the chief appraiser and the property owner or person designated by the owner agree under this section. Makes a nonsubstantive change.

SECTION 5. Amends Chapter 1, Tax Code, by adding Section 1.086, as follows:

Sec. 1.086. DELIVERY OF CERTAIN NOTICES BY E-MAIL. (a) Requires the chief appraiser of the appraisal district in which the property is located, on the written request of the owner of a residential property that is occupied by the owner as the owner's principal residence, to send each notice required by this title related to the following to the e-mail address of the owner:

(1) a change in value of the property;

(2) the eligibility of the property for an exemption; or

(3) the grant, denial, cancellation, or other change in the status of an exemption or exemption application applicable to the property.

(b) Requires a property owner to provide the e-mail address to which the chief appraiser must send the notices described by Subsection (a) in a request made under that subsection.

(c) Provides that a chief appraiser who delivers a notice electronically under this section is not required to mail the same notice to the property owner.

(d) Provides that a request made under this section remains in effect until revoked by the property owner in a written revocation filed with the chief appraiser.

(e) Requires the chief appraiser, after a property owner makes a request under this section and before a chief appraiser may deliver a notice electronically under this section, to send an e-mail to the address provided by the property owner confirming the owner's request to receive notices electronically.

(f) Requires the chief appraiser of an appraisal district that maintains an Internet website to provide a form on the website that a property owner may use to electronically make a request under this section.

SECTION 6. Amends Chapter 5, Tax Code, by adding Section 5.01, as follows:

Sec. 5.01. PROPERTY TAX ADMINISTRATION ADVISORY BOARD. (a) Requires the comptroller of public accounts of the State of Texas (comptroller) to appoint the property tax administration advisory board (advisory board) to advise the comptroller with respect to the division or divisions within the Office of the Comptroller of Public Accounts of the State of Texas with primary responsibility for state administration of property taxation and state oversight of appraisal districts. Authorizes the advisory board to make recommendations to the comptroller regarding improving the effectiveness and efficiency of the property tax system, best practices, and complaint resolution procedures.

(b) Provides that the advisory board is composed of at least six members appointed by the comptroller and sets forth guidelines regarding the composition of the board.

(c) Provides that the members of the advisory board serve at the pleasure of the comptroller.

(d) Requires any advice provided by a member of the advisory board to the comptroller relating to a matter described by Subsection (a) to be provided at a meeting called by the comptroller.

(e) Provides that Chapter 2110 (State Agency Advisory Committees), Government Code, does not apply to the advisory board.

SECTION 7. Amends Sections 5.041(b), (c), (e-1), and (e-3), Tax Code, as follows:

(b) Requires the course established under Subsection (a) (relating to training of appraisal review board members) to provide at least eight hours of classroom training and education.

(c) Authorizes the comptroller to assess a fee not to exceed \$50 for each person trained if the training is provided to an individual other than a member of an appraisal review board. Makes a nonsubstantive change.

(e-1) Requires a continuing education course for members of an appraisal review board to provide at least four hours of classroom training and education.

(e-3) Authorizes the comptroller, if continuing education training is provided to an individual other than a member of an appraisal review board, to assess a fee not to exceed \$50 for each person trained.

SECTION 8. Amends Chapter 5, Tax Code, by adding Section 5.043, as follows:

Sec. 5.043. TRAINING OF ARBITRATORS. (a) Provides that this section applies only to persons who have agreed to serve as arbitrators under Chapter 41A (Appeal Through Binding Arbitration).

(b) Requires the comptroller to approve curricula and provide an arbitration manual and other materials for use in training and educating arbitrators, to make all materials for use in training and educating arbitrators freely available online, and to establish and supervise a training program on property tax law for the training and education of arbitrators.

(c) Requires the training program to emphasize the requirements regarding the equal and uniform appraisal of property and to be at least four hours in length.

(d) Authorizes the training program to be provided online. Authorizes the comptroller by rule to prescribe the manner by which the comptroller may verify that a person taking the training program online has taken and completed the program.

(e) Authorizes the comptroller to contract with service providers to assist with the duties imposed under Subsection (b), but prohibits the training program from being provided by an appraisal district, the chief appraiser or another employee of an appraisal district, a member of the board of directors of an appraisal district, a member of an appraisal review board, or a taxing unit. Authorizes the comptroller to assess a fee to recover a portion of the costs incurred for the training program, but prohibits the fee from exceeding \$50 for each person trained. Authorizes the comptroller, if the training is provided to a person other than a person who has agreed to serve as an arbitrator under Chapter 41A, to assess a fee not to exceed \$50 for each person trained.

(f) Requires the comptroller to prepare an arbitration manual for use in the training program. Requires the manual to be updated regularly and authorizes the manual to be revised on request, in writing, to the comptroller. Requires the revised language to be approved by the unanimous agreement of a committee selected by the comptroller and representing, equally, taxpayers and chief appraisers. Requires the person requesting the revision to pay the costs of mediation if the comptroller determines that mediation is required.

SECTION 9. Amends Section 5.05, Tax Code, by adding Subsections (c-1) and (c-2), as follows:

(c-1) Requires an appraisal district to appraise property in accordance with any appraisal manuals required by law to be prepared and issued by the comptroller.

(c-2) Requires appraisal manuals required by law to be prepared and issued by the comptroller for the purpose of determining the market value of property to be prepared based on generally accepted appraisal methods and techniques.

SECTION 10. Amends Section 5.07, Tax Code, by adding Subsections (f), (g), (h), (i), and (j), as follows:

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

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

(2) school district to:

(A) calculate and submit the no-new-revenue tax rate and the voter-approval tax rate for the district as required by Chapter 26; and

(B) submit the rate to maintain the same amount of state and local revenue per weighted student that the district received in the school year beginning in the preceding tax year as required by Chapter 26.

(g) Requires the forms described by Subsection (f) to be in an electronic format and meet certain requirements.

(h) Requires the comptroller, for purposes of Subsections (f) and (g), to use the forms published on the comptroller's Internet website as of January 1, 2019, modified as necessary to comply with the requirements of this section (Property Tax Forms and

Records Systems). Requires the comptroller to update the forms as necessary to reflect formatting or other nonsubstantive changes.

(i) Authorizes the comptroller to revise the forms to reflect substantive changes other than those described by Subsection (h) or on receipt of a request in writing. Requires a revision under this subsection to be approved by the agreement of a majority of the members of a committee selected by the comptroller who are present at a committee meeting at which a quorum is present. Requires the members of the committee to represent, equally, taxpayers, taxing units or persons designated by taxing units, and assessors. Requires the person requesting the revision, in the case of a revision for which the comptroller receives a request in writing, to pay the costs of mediation if the comptroller determines that mediation is required.

(j) Provides that a meeting of the committee held under Subsection (i) is not subject to the requirements of Chapter 551 (Open Meetings), Government Code.

SECTION 11. Amends Section 5.09, Tax Code, by amending Subsection (a) and adding Subsection (a-1), as follows:

(a) Requires the comptroller to prepare a biennial report of the total appraised values and taxable values of taxable property by category and the tax rates of each county, municipality, special district, and school district in effect for the two years preceding the year in which the report is prepared.

(a-1) Requires the comptroller to:

(1) prescribe the format by which an appraisal district or taxing unit must submit information under this section to the comptroller;

(2) collect and review in detail the information submitted that relates to each county, municipality, and school district; and

(3) collect and review the information submitted that relates to each special district.

SECTION 12. Amends Section 5.091, Tax Code, as follows:

Sec. 5.091. STATEWIDE LIST OF TAX RATES. (a) Requires the comptroller to prepare a list each year that includes the total tax rate imposed by each taxing unit in this state, as reported to the comptroller by each appraisal district, for the year, rather than for the year preceding the year, in which the list is prepared. Deletes text excluding a school district from the list. Requires the comptroller to:

(1) prescribe the manner in which and deadline by which appraisal districts must submit the tax rates to the comptroller; and

(2) list the tax rates alphabetically according to:

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

(B) the name of each taxing unit. Deletes existing text requiring the comptroller to list the tax rates in descending order.

(b) Requires the comptroller to publish on the comptroller's Internet website the list required by Subsection (a) not later than January 1 of the following year, rather than December 31 of each year.

SECTION 13. Amends Sections 5.102(a) and (c), Tax Code, as follows:

(a) Requires the comptroller, at least once every two years, to review the governance of each appraisal district, the taxpayer assistance provided by each appraisal district, and the operating and appraisal standards, procedures, and methodology used by each appraisal district, to determine compliance with generally accepted standards, procedures, and methodology, including compliance with standards, procedures, and methodology prescribed by any appraisal manuals required by law to be prepared and issued by the comptroller. Authorizes the comptroller by rule, after consultation with the property tax administration advisory board, rather than the advisory committee created under Section 403.302 (Determination of School District Property Values), Government Code, to establish procedures and standards for conducting and scoring the review.

(c) Makes a conforming change to this subsection.

SECTION 14. Amends Chapter 5, Tax Code, by adding Section 5.104, as follows:

Sec. 5.104. APPRAISAL REVIEW BOARD SURVEY; REPORT. (a) Requires the comptroller to:

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

(2) prepare instructions for completing and submitting the survey; and

(3) implement and maintain a method that allows an individual described by Subsection (b) to electronically complete and submit the survey through a uniform resource locator (URL) address.

(b) Authorizes certain individuals who attend a hearing in person or by telephone conference call on a motion filed under Section 25.25 (Correction of Appraisal Roll) to correct the appraisal roll or a protest under Chapter 41 (Local Review) to complete and submit a survey under this section.

(c) Requires the survey to allow an individual to submit comments and suggestions regarding the matters listed in Section 5.103(b) (relating to required elements of model hearing procedures) and any other matter related to the fairness and efficiency of the appraisal review board.

(d) Requires an appraisal district to provide to each property owner or designated agent of the owner who is authorized to submit a survey under this section a notice that states that the owner or agent:

(1) is entitled to complete and submit the survey;

(2) may submit the survey to the comptroller through certain methods; and

(3) may obtain a paper copy of the survey and instructions for completing the survey at the appraisal office.

(e) Requires the notice described by Subsection (d) to include the URL address described by Subsection (a)(3).

(f) Requires an appraisal district to provide the notice described by Subsection (d) to a property owner or the designated agent of the owner:

(1) at or before the first hearing on the motion or protest described by Subsection (b) by the appraisal review board established for the appraisal district or by a panel of the board; and

(2) with each order under Section 25.25 or 41.47 (Determination of Protest) determining a motion or protest, as applicable, delivered by the board or a panel of the board.

(g) Requires the board or panel, at or before the first hearing on the motion or protest described by Subsection (b) by the appraisal review board established for the appraisal district or by a panel of the board, to provide verbal notice to the property owner or designated agent of the owner of the owner or agent's right to complete and submit the survey.

(h) Provides that, notwithstanding Subsections (d), (f), and (g), if an appraisal district provides the notice described by Subsection (d), or an appraisal review board provides the verbal notice required by Subsection (g), to a property owner or the designated agent of the owner at or before a hearing on a motion or protest described by Subsection (b), the appraisal district or board, as applicable, is not required to provide another notice in the same manner to the owner or agent at or before another hearing on a motion or protest held on the same day.

(i) Requires an individual who elects to submit the survey to submit the survey to the comptroller as provided by this section. Authorizes an individual to submit only one survey for each hearing.

(j) Requires the comptroller to allow an individual to submit a survey to the comptroller through one of certain methods.

(k) Prohibits an appraisal district from requiring a property owner or the designated agent of the owner to complete a survey at the appraisal office.

(l) Requires the comptroller to issue an annual report that summarizes the information included in the survey submitted during the preceding tax year. Prohibits the report from disclosing the identity of an individual who submitted a survey.

(m) Authorizes the comptroller to adopt rules as necessary to implement this section.

SECTION 15. Amends Section 5.13(d), Tax Code, as follows:

(d) Requires the comptroller, in conducting a general audit, to consider and report on:

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

(2)–(4) makes no changes to these subdivisions; and

(5) makes a nonsubstantive change to this subdivision.

SECTION 16. Amends Section 6.035(a-1), Tax Code, to decrease from five to three years the period of time after an individual engages in certain business or representation for compensation in an appraisal district during which that individual is ineligible to serve on the board of directors of the appraisal district.

SECTION 17. Amends Subchapter A, Chapter 6, Tax Code, by adding Section 6.054, as follows:

Sec. 6.054. RESTRICTION ON EMPLOYMENT BY APPRAISAL DISTRICT. Prohibits an individual from being employed by an appraisal district if the individual is:

(1) an officer of a taxing unit that participates in the appraisal district; or



(2) an employee of a taxing unit that participates in the appraisal district.

SECTION 18. Amends Section 6.15, Tax Code, by adding Subsection (c-1), as follows:

(c-1) Provides that Subsections (a) (relating to the offense of certain direct or indirect communication between a member of the board of directors of an appraisal district and the chief appraiser) and (b) (relating to the offense of certain direct or indirect communication between a chief appraiser and a member of the board of directors of an appraisal district) do not prohibit a member of the board of directors of an appraisal district from transmitting to the chief appraiser without comment a complaint by a property owner or taxing unit about the appraisal of a specific property, provided that the transmission is in writing.

SECTION 19. Amends Subchapter A, Chapter 6, Tax Code, by adding Section 6.16, as follows:

Sec. 6.16. RESIDENTIAL PROPERTY OWNER ASSISTANCE. (a) Authorizes the chief appraiser of an appraisal district to maintain a list of certain individuals who have designated themselves as an individual who will provide free assistance to an owner of residential property that is occupied by the owner as the owner's principal residence.

(b) Requires a chief appraiser who maintains a list under this section, on the request of an owner described by Subsection (a), to provide to the owner a copy of the list.

(c) Requires a list to meet certain requirements and contain certain information.

(d) Requires a person to designate himself or herself as an individual who will provide free assistance by completing a form prescribed by the chief appraiser and submitting the form to the chief appraiser.

SECTION 20. Amends Section 6.41, Tax Code, by amending Subsections (b) and (d-9) and adding Subsections (b-1), (b-2), and (d-10), as follows:

(b) Creates an exception under Subsection (b-1) or (b-2) to the requirement that an appraisal review board consist of three members.

(b-1) Creates this subsection from existing text and makes nonsubstantive changes.

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

(d-9) Requires the local administrative district judge, in selecting individuals who are to serve as members of the appraisal review board for an appraisal district described by Subsection (b-2), to select an adequate number of qualified individuals to permit the chairman of the appraisal review board to fill the positions on each special panel established under Section 6.425.

(d-10) Creates this subsection from existing text and makes no further changes.

SECTION 21. Amends Sections 6.412(a) and (d), Tax Code, as follows:

(a) Provides that an individual is ineligible to serve on an appraisal review board if the individual:

(1)–(2) Makes no changes to these subdivisions; or

(3) is related within the third degree by consanguinity or within the second degree by affinity, as determined under Chapter 573 (Degrees of Relationship; Nepotism Prohibitions), Government Code, to a member of the appraisal district's board of directors or the appraisal review board. Makes nonsubstantive changes.

(d) Provides that a person is ineligible to serve on the appraisal review board of an appraisal district established for a county described by Section 6.41(d-1) (relating to the appointment of board members by the local administrative district judge in certain counties), rather than a county having a population of more than 100,000, if the person:

(1) makes no changes to this subdivision;

(2)–(3) makes nonsubstantive changes to these subdivisions; or

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

SECTION 22. Amends Section 6.414(d), Tax Code, as follows:

(d) Prohibits an auxiliary board member from hearing taxpayer protests before a special panel established under Section 6.425 unless the member is eligible to be appointed to the special panel. Provides that, if one or more auxiliary board members sit on a panel established under Section 6.425 or 41.45 (Hearing on Protest), rather than Section 6.425, to conduct a protest hearing, the number of regular appraisal review board members required by that section to constitute the panel is reduced by the number of auxiliary board members sitting.

SECTION 23. Amends Section 6.42, Tax Code, by amending Subsection (a) and adding Subsection (d), as follows:

(a) Requires the local administrative district judge under Subchapter D (Administration by County), Chapter 74, Government Code, in the county in which the appraisal district is established to select, rather than requiring the board of directors of the appraisal district by resolution to select, a chairman and a secretary from among the members of the appraisal review board. Provides that the judge, rather than board of directors of the appraisal district, is encouraged to select as chairman a member of the appraisal review board, if any, who has a background in law and property appraisal. Makes a nonsubstantive change.

(d) Provides that the concurrence of a majority of the members of the appraisal review board present at a meeting of the board is sufficient for a recommendation, determination, decision, or other action by the board. Provides that the concurrence of a majority of the members of a panel of the board present at a meeting of the panel is sufficient for a recommendation by the panel. Prohibits the concurrence of more than a majority of the members of the board or panel from being required.

SECTION 24. Amends Subchapter C, Chapter 6, Tax Code, by adding Section 6.425, as follows:

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

(b) Requires the appraisal review board to establish special panels to conduct protest hearings under Chapter 41 relating to certain property.

(c) Provides that each special panel described by this section consists of three members of the appraisal review board appointed by the chairman of the board.

(d) Requires an appraisal review board member, to be eligible to be appointed to a special panel described by this section, to meet at least one of certain educational and professional requirements.

(e) Authorizes the chairman of the appraisal review board, notwithstanding Subsection (d), to appoint to a special panel described by this section a member of the appraisal review board who does not meet the qualifications prescribed by that subsection if the number of persons appointed to the board by the local administrative district judge who meet those qualifications is not sufficient to fill the positions on each special panel and if the board member being appointed to the panel holds a bachelor's degree in any field.

(f) Authorizes a special panel, in addition to conducting protest hearings relating to property described by Subsection (b) of this section, to conduct protest hearings under Chapter 41 relating to property not described by Subsection (b) of this section as assigned by the chairman of the appraisal review board.

(g) Require the comptroller, by February 1 or as soon thereafter as practicable, to determine the minimum eligibility amount for the current tax year for purposes of Subsection (b)(1) and publish that amount in the Texas Register. Provides that the minimum eligibility amount for the 2020 tax year is \$50 million. Provides that, for each succeeding tax year, the minimum eligibility amount is equal to the minimum eligibility amount for the preceding tax year as adjusted by the comptroller to reflect the inflation rate.

(h) Defines "consumer price index" and "inflation rate" for purposes of this section.

SECTION 25. Amends Section 11.24, Tax Code, as follows:

Sec. 11.24. HISTORIC SITES. (a) Creates this subsection from existing text. Authorizes the governing body of a taxing unit by official action of the body adopted in the manner required by law for official actions to exempt from taxation part or all of the assessed value of a structure or archeological site and the land necessary for access to and use of the structure or archeological site, if the structure or archeological site meets certain criteria.

(b) Prohibits the governing body of a taxing unit from repealing or reducing the amount of an exemption granted under Subsection (a) for a property that otherwise qualifies for the exemption unless:

(1) the owner of the property consents to the repeal or reduction; or

(2) the taxing unit provides written notice of the repeal or reduction to the owner not later than five years before the date the governing body repeals or reduces the exemption.

SECTION 26. Amends Section 11.4391(a), Tax Code, as follows:

(a) Requires the chief appraiser to accept and approve or deny an application for an exemption for freeport goods under Section 11.251 (Tangible Personal Property Exempt), after the deadline for filing it has passed if it is filed on or before the later of June 15, or if applicable, the 60th day after the date on which the chief appraiser delivers notice to the property tax owner under Section 22.22 (Method For Requiring Rendition or Report), rather than if it is filed not later than June 15.

SECTION 27. Amends Section 22.23(d), Tax Code, as follows:

(d) Requires rendition statements and property reports required to be filed by a property owner, rather than rendition statements and property reports for property, regulated by the

Public Utility Commission of Texas, the Railroad Commission of Texas, the federal Surface Transportation Board, or the Federal Energy Regulatory Commission, notwithstanding any other provision of this section (Filing Date), to be delivered to the chief appraiser not later than April 30, except as provided by Section 22.02 (Rendition of Property Losing Exemption During Tax Year or For Which Exemption Application is Denied). Requires the chief appraiser, on written request by the property owner, to extend the filing deadline to May 15. Authorizes the chief appraiser to further extend the deadline an additional 15 days for good cause shown in writing by the property owner. Makes nonsubstantive changes.

SECTION 28. Amends Section 23.01, Tax Code, by adding Subsection (h), as follows:

(h) Provides that appraisal methods and techniques included in the most recent versions of certain publications are considered generally accepted appraisal methods and techniques for the purposes of this title.

SECTION 29. Amends Section 25.19, Tax Code, by amending Subsections (b) and (i) and adding Subsections (b-3) and (b-4), as follows:

(b) Requires the chief appraiser to separate real from personal property and include certain information in the notice for each. Removes the amount of tax, if the appraised value is greater than it was in the preceding year, that would be imposed on the property on the basis of the tax rate for the preceding year from the list of such information and renumbers the list accordingly.

(b-3) Provides that this subsection applies only to an appraisal district described by Section 6.41(b-2). Requires the chief appraiser, in addition to the information required by Subsection (b), to state in a notice of appraised value of property described by Section 6.425(b) that the property owner has the right to have a protest relating to the property heard by a special panel of the appraisal review board.

(b-4) Provides that Subsection (b)(5) (relating to requiring the chief appraiser to include in the notice for real and personal property a specified statement) applies only to a notice of appraised value required to be delivered by the chief appraiser of an appraisal district established in a county with a population of less than 120,000. Provides that this subsection expires January 1, 2022.

(i) Provides that delivery with a notice required by Subsection (a) or (g) of a copy of the pamphlet published by the comptroller under Section 5.06 (Explanation of Taxpayer Remedies) or a copy of the notice published by the chief appraiser under Section 41.70 (Public Notice of Protest and Appeal Procedures) is sufficient to comply with the requirement that the notice include the information specified by Subsection (b)(6) or (g)(3), rather than (b)(7) or (g)(3), as applicable.

SECTION 30. Amends Chapter 25, Tax Code, by adding Sections 25.192 and 25.193, as follows:

Sec. 25.192. NOTICE OF RESIDENCE HOMESTEAD EXEMPTION ELIGIBILITY.

(a) Provides that this section applies only to residential property that has not qualified for a residence homestead exemption in the current tax year.

(b) Requires the chief appraiser, if the records of the appraisal district indicate that the address of the property is also the address of the owner of the property, to send to the property owner a notice that contains certain specified language and statements.

(c) Requires the notice required by this section to be accompanied by an application form for a residence homestead exemption.

(d) Requires the notice required by this section, if a property owner has elected to receive notices by e-mail as provided by Section 1.086, to be sent in that manner separately from any other notice sent to the property owner by the chief appraiser.

Sec. 25.193. NOTICE OF CERTAIN CANCELED OR REDUCED EXEMPTIONS. (a) Requires the chief appraiser, by April 1 or as soon thereafter as practicable if the property is a single-family residence that qualifies for an exemption under Section 11.13 (Residence Homestead), or by May 1 or as soon thereafter as practicable in connection with residential property that does not qualify for an exemption under Section 11.13, to deliver a clear and understandable written notice to a property owner if an exemption or partial exemption that was approved for the preceding year was canceled or reduced for the current year.

(b) Requires the notice required by this section, if a property owner has elected to receive notices by e-mail as provided by Section 1.086, for property described by that section, to be sent in that manner regardless of whether the information was also included in a notice under Section 25.19 (Notice of Appraised Value) and to be sent separately from any other notice sent to the property owner by the chief appraiser.

SECTION 31. Amends Section 26.01, Tax Code, by adding Subsection (a-1), as follows:

(a-1) Requires the chief appraiser, if by July 20 the appraisal review board for an appraisal district has not approved the appraisal records for the district as required under Section 41.12 (Approval of Appraisal Records by Board), to prepare and certify to the assessor for each taxing unit participating in the district an estimate of the taxable value of property in that taxing unit not later than July 25.

SECTION 32. Amends Section 26.012, Tax Code, by adding Subdivisions (8-a) and (19) and amending Subdivisions (10) and (13) to define "de minimis rate" and "special taxing unit" and to redefine "excess collections" and "last year's levy."

SECTION 33. Redesignates Section 26.012(9), Tax Code, as Section 26.012(18), Tax Code, and amends it to define "no-new-revenue maintenance and operations rate" rather than "effective maintenance and operations rate" and to make a conforming change to the formula used in calculating that rate.

SECTION 34. Amends Chapter 26, Tax Code, by adding Section 26.013, as follows:

Sec. 26.013. UNUSED INCREMENT RATE. (a) Defines "actual tax rate," "voter-approval tax rate" and "year 1" for purposes of this section.

(b) Defines "unused increment rate" for purposes of this chapter and provides the formula used in calculating that rate.

(c) Provides that, notwithstanding Subsection (b)(2), for each tax year before the 2020 tax year, the difference between the taxing unit's voter-approval tax rate and actual tax rate is considered to be zero. Provides that this subsection expires December 31, 2022.

SECTION 35. Amends the heading to Section 26.04, Tax Code, to read as follows:

Sec. 26.04. SUBMISSION OF ROLL TO GOVERNING BODY; NO-NEW-REVENUE AND VOTER-APPROVAL TAX RATES.

SECTION 36. Amends Section 26.04, Tax Code, by amending Subsections (b), (c), (d), (e), (e-1), (f), (g), (i), and (j) and adding Subsections (c-1), (c-2), (d-1), (d-2), (d-3), (e-2), (e-3), (e-4), (e-5), (h-1), and (h-2), as follows:

(b) Requires the taxing unit's collector to certify the anticipated collection rate as calculated under Subsections (h) (relating to the formula for anticipated collection rate), (h-1), and (h-2), rather than an estimate of the collection rate, for the current year to the governing body by August 1, or as soon thereafter as practicable. Makes nonsubstantive changes.

(c) Requires an officer or employee designated by the governing body, after the assessor for the taxing unit submits the appraisal roll for the taxing unit to the governing body of the taxing unit as required by Subsection (b), to calculate the no-new-revenue, rather than effective, tax rate and the voter-approval, rather than rollback, tax rate for the taxing unit, where:

(1) makes conforming changes to this subdivision; and

(2) "voter-approval tax rate" means a rate expressed in dollars per \$100 of taxable value calculated according to provided formulas for a special taxing unit or for a taxing unit other than a special taxing unit.

(c-1) Authorizes the governing body of a taxing unit other than a special taxing unit, notwithstanding any other provision of this section, to direct the designated officer or employee to calculate the voter-approved tax rate of the taxing unit in the manner provided for a special taxing unit if any part of the taxing unit is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States. Requires the designated officer or employee to continue calculating the voter-approval tax rate in the manner provided by this subsection until the earlier of:

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

(2) the third tax year after the tax year in which the disaster occurred.

(c-2) Requires the officer or employee designated by the governing body of the taxing unit, notwithstanding any other provision of this section, to calculate the no-new-revenue tax rate and voter-approval tax rate using the certified estimate of taxable value, if the assessor for a taxing unit receives a certified estimate of the taxable value of property in the taxing unit under Section 26.01(a-1).

(d) Makes conforming changes to this subsection.

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

(d-2) Prohibits the designated officer or employee from submitting the no-new-revenue tax rate and the voter-approval tax rate to the governing body of the taxing unit and prohibits the taxing unit from adopting a tax rate until the designated officer or employee certifies on the tax rate calculation forms that the designated officer or employee has accurately calculated the tax rates and has used values that are the same as the values shown in the taxing unit's certified appraisal roll in performing the calculations.

(d-3) Requires the designated officer or employee to submit the tax rate calculation forms used in calculating the rates to the county assessor-collector for each county in which all or part of the territory of the taxing unit is located as soon as practicable after the designated officer or employee calculates the no-new-revenue tax rate and the voter-approval tax rate of the taxing unit.

(e) Deletes existing text requiring notice of tax rate changes and certain other financial information to be mailed or published in a newspaper. Requires the designated officer or employee to post prominently on the home page of the taxing unit's Internet website, in the form prescribed by the comptroller:

(1) the no-new-revenue tax rate, rather than the effective tax rate, the voter-approval tax rate, rather than the rollback tax rate, and an explanation of how they were calculated; and

(2) and (3) makes nonsubstantive changes to these subdivisions. Deletes existing Subdivisions (4)–(7) relating to certain information required to be published.

(e-1) Provides that the tax rate certification requirements imposed by Subsection (d-2) and the notice requirements imposed by Subsections (e)(1)–(3), rather than (e)(1)–(6), do not apply to a school district.

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

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

(2) a statement that the property owner may request from the county assessor-collector for the county in which the property is located or, if the county assessor-collector does not assess taxes for the county, the person who assesses taxes for the county under Section 6.24(b) (relating to authorizing a county to contract with another taxing unit), contact information for the assessor for each taxing unit in which the property is located, who must provide the information described by this subsection to the owner on request; and

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

(e-3) Sets forth requirements for the heading of the statement described in (e-2).

(e-4) Requires the comptroller, with the advice of the property tax administration advisory board, to adopt rules prescribing the form of the notice required by Subsection (e-2), and authorizes the comptroller to adopt rules regarding the format and delivery of the notice.

(e-5) Requires the governing body of a taxing unit to include as an appendix to the taxing unit's budget for a fiscal year the tax rate calculation forms used by the designated officer or employee of the taxing unit to calculate the no-new-revenue tax rate and the voter-approval tax rate of the taxing unit for the tax year in which the fiscal year begins.

(f) Makes conforming changes to this subsection.

(g) Entitles a person who owns taxable property to an injunction prohibiting the taxing unit in which the property is taxable from adopting a tax rate if the assessor or designated officer or employee of the taxing unit, the chief appraiser of the applicable appraisal district, or the taxing unit, as applicable, has not complied with the computation, publication, or posting requirements of this section or Sections 26.16, 26.17, or 26.18,

rather than entitling a person who owns taxable property to an injunction prohibiting the taxing unit in which the property is taxable from adopting a tax rate if the assessor or designated officer or employee of the unit, as applicable, has not complied with the computation or publication requirements of this section and the failure to comply was in bad faith. Provides that it is a defense in an action for an injunction under this subsection that the failure to comply was in good faith.

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

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

(i) and (j) Makes conforming and nonsubstantive changes to these subsections.

SECTION 37. Amends Section 26.041, Tax Code, by amending Subsections (a), (b), (c), (e), (g), and (h) and adding Subsection (c-1), as follows:

(a) Sets forth formulas for calculating the no-new-revenue tax rate and the voter-approval tax rate for a special taxing unit and for a taxing unit other than a special taxing unit in the first year in which an additional sales and use tax must be collected. Makes conforming and nonsubstantive changes.

(b) Sets forth formulas for calculating the voter-approval tax rate for a special taxing unit and for a taxing unit other than a special taxing unit in a year in which a taxing unit imposes an additional sales and use tax, except as provided by Subsections (a) and (c). Makes conforming and nonsubstantive changes.

(c) Sets forth formulas for calculating the no-new-revenue tax rate and the voter-approval tax rate for a special taxing unit and for a taxing unit other than a special taxing unit in a year in which a taxing unit that has been imposing an additional sales and use tax ceases to impose an additional sales and use tax. Makes conforming and nonsubstantive changes.

(c-1) Authorizes the governing body of a taxing unit other than a special taxing unit, notwithstanding any other provision of this section (Tax Rate of Unit Imposing Additional Sales and Use Tax), to direct the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit if any part of the taxing unit is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States. Requires the designated officer or employee to continue calculating the voter-approval tax rate in the manner provided by this subsection until the earlier of:

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

(2) the third tax year after the tax year in which the disaster occurred.

(e) Makes conforming changes to this subsection.

(g) and (h) Makes conforming and nonsubstantive changes to these subsections.

SECTION 38. Amends the heading to Section 26.043, Tax Code, to read as follows:



Sec. 26.043. VOTER-APPROVAL AND NO-NEW-REVENUE TAX RATES IN CITY IMPOSING MASS TRANSIT SALES AND USE TAX.

SECTION 39. Amends Sections 26.043(a) and (b), Tax Code, as follows:

(a) Requires the designated officer or employee, if the election on the question of whether to impose a local sales and use tax under Subchapter H (Taxes), Chapter 453 (Municipal Transit Departments), Transportation Code, is determined in favor of the imposition of the tax, to subtract from the city's voter-approval and no-new-revenue tax rates a certain amount relating to mass transit services expenses. Makes conforming changes.

(b) Makes conforming changes to this subsection.

SECTION 40. Amends the heading to Section 26.044, Tax Code, to read as follows:

Sec. 26.044. NO-NEW-REVENUE TAX RATE TO PAY FOR STATE CRIMINAL JUSTICE MANDATE.

SECTION 41. Amends Sections 26.044(a), (b), and (c), Tax Code, as follows:

(a) and (b) Makes conforming changes to these subsections.

(c) Requires the county to include a notice of the increase the no-new-revenue maintenance and operation rate provided by this section, including a description and amount of the state criminal justice mandate, in the information published under Section 26.04(e) and, as applicable, in the notice prescribed by Section 26.06 or 26.061, rather than published under Section 26.04(e) and Section 26.06(b) of this code. Makes a conforming change.

SECTION 42. Amends Sections 26.0441(a), (b), and (c), Tax Code, to make conforming changes.

SECTION 43. Amends Chapter 26, Tax Code, by adding Sections 26.0442 and 26.0443, as follows:

Sec. 26.0442. TAX RATE ADJUSTMENT FOR COUNTY INDIGENT DEFENSE COMPENSATION EXPENDITURES. (a) Defines "indigent defense compensation expenditures" for purposes of this section.

(b) Provides that, if a county's indigent defense compensation expenditures exceed the amount of those expenditures for the preceding tax year, the no-new-revenue maintenance and operations rate for the county is increased by the lesser of the rates computed according to certain provided formulas.

(c) Requires the county to include a notice of the increase in the no-new-revenue maintenance and operations rate provided by this section, including a description and the amount of indigent defense compensation expenditures, in the information published under Section 26.04(e) and, as applicable, in the notice prescribed by Section 26.06 or 26.061.

Sec. 26.0443. TAX RATE ADJUSTMENT FOR ELIGIBLE COUNTY HOSPITAL EXPENDITURES. (a) Defines "eligible county hospital" and "eligible county hospital expenditures" for purposes of this section.

(b) Provides that, if a county's or municipality's eligible county hospital expenditures exceed the amount of those expenditures for the preceding tax year, the no-new-revenue maintenance and operations rate for the county or municipality, as applicable, is increased by the lesser of the rates computed according to certain provided formulas.

(c) Requires the county or municipality to include a notice of the increase in the no-new-revenue maintenance and operations rate provided by this section, including a description and amount of eligible county hospital expenditures, in the information published under Section 26.04(e) and, as applicable, in the notice prescribed by Section 26.06 or 26.061.

SECTION 44. Amends the heading to Section 26.045, Tax Code, as follows:

Sec. 26.045. VOTER-APPROVAL TAX RATE RELIEF FOR POLLUTION CONTROL REQUIREMENTS.

SECTION 45. Amends Sections 26.045(a), (c), and (i), Tax Code, to make conforming and nonsubstantive changes.

SECTION 46. Amends Section 26.05, Tax Code, by amending Subsections (a), (b), (c), (d), (e), and (g) and adding Subsections (d-1), (d-2), and (e-1), as follows:

(a) Requires the governing board of each taxing unit to adopt a tax rate for the current tax year and to notify the assessor for the taxing unit of the rate adopted. Requires the governing body to adopt a tax rate before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the taxing unit, except that the governing body must adopt a tax rate that exceeds the voter-approval tax rate not later than the 71st day before the next uniform election date prescribed by Section 41.001 (Uniform Election Dates), Election Code, that occurs in November of that year. Makes nonsubstantive changes.

(b) Makes conforming and nonsubstantive changes to this subsection.

(c) Makes a conforming change to this subsection.

(d) Decreases from two to one the number of public hearings that a governing body of a taxing unit other than a school district must hold before adopting a tax rate that exceeds the lower of the voter-approval tax rate or the no-new-revenue tax rate calculated as provided by this chapter. Makes conforming changes.

(d-1) Prohibits the governing body of a taxing unit other than a school district from holding a public hearing on a proposed tax rate or a public meeting to adopt a tax rate until the fifth day after the date the chief appraiser of each appraisal district in which the taxing unit participates has delivered the notice required by Section 26.04(e-2) and has complied with Section 26.17(f).

(d-2) Prohibits the governing body of a taxing unit other than a school district, notwithstanding Subsection (a), from adopting a tax rate until the chief appraiser of each appraisal district in which the taxing unit participates has complied with Subsection (d-1).

(e) Entitles a person who owns taxable property to an injunction restraining the collection of taxes by a taxing unit in which the property is taxable if the taxing unit has not complied with the requirements of this section or Section 26.04, rather than this section. Deletes existing text providing that the entitlement is limited to circumstances in which the failure to comply was not in good faith. Provides that it is a defense in an action for an injunction under this subsection that the failure to comply was in good faith. Requires that an action to enjoin the collection of taxes be filed not later than the 15th day after the date the taxing unit adopts a tax rate. Provides that a property owner is not required to pay the taxes imposed by a taxing unit on the owner's property while an action filed by the property owner to enjoin the collection of taxes imposed by the taxing unit on the owner's property is pending. Entitles the property owner to a refund of the taxes paid, together with reasonable attorney's fees and court costs, if the property owner pays the taxes and subsequently prevails in the action. Provides that the property owner is not required to apply to the collector for the taxing unit to receive the refund. Deletes existing

text requiring that an action to enjoin the collection of taxes be filed prior to the date a taxing unit delivers substantially all of its tax bills.

(e-1) Prohibits the governing body of a taxing unit that imposes an additional sales and use tax from adopting the component of the tax rate of the taxing unit described by Subsection (a)(1) of this section (Tax Rate) until the chief financial officer or the auditor for the taxing unit submits to the governing body of the taxing unit a written certification that the amount of additional sales and use tax revenue that will be used to pay debt service has been deducted from the total amount described by Section 26.04(e)(3)(C) as required by Subsection (a)(1) of this section. Requires the comptroller to prescribe the form of the certification required by this subsection and the manner in which it must be submitted.

(g) Makes conforming changes to this subsection.

SECTION 47. Amends Section 26.052, Tax Code, by amending Subsection (e) and adding Subsection (f), as follows:

(e) Makes conforming and nonsubstantive changes to this subsection.

(f) Requires a taxing unit to which this section applies that elects to provide public notice of its proposed tax rate under Subsection (c)(2) (relating to notice of a proposed tax rate published in a newspaper of general circulation) to also provide public notice of its proposed tax rate by posting notice of the proposed tax rate, including the information prescribed by Subsection (e), prominently on the home page of the Internet website of the taxing unit.

SECTION 48. Amends Section 26.06, Tax Code, by amending Subsections (a), (b), (c), (d), and (e) and adding Subsections (b-1), (b-2), (b-3), and (b-4), as follows:

(a) Prohibits a public hearing required by Section 26.05 from being held before the fifth day, rather than before the seventh day, after the date of the notice of the public hearing is given. Deletes existing text relating to a second hearing and makes conforming changes.

(b) Deletes existing text providing a required statement for the notice of a public hearing.

(b-1) Requires the notice, if the proposed tax rate exceeds the no-new-revenue tax rate and the voter-approval tax rate of the taxing unit, to contain a statement in a required form and sets forth the language of that statement.

(b-2) Requires the notice, if the proposed tax rate exceeds the no-new-revenue tax rate but does not exceed the voter-approval tax rate of the taxing unit, to contain a statement in a required form and sets forth the language of the statement.

(b-3) Requires the notice, if the proposed tax rate does not exceed the no-new-revenue tax rate but exceeds the voter-approval tax rate of the taxing unit, to contain a statement in a required form and sets forth the language of that statement.

(b-4) Requires the notice, in addition to including the information described by Subsection (b-1), (b-2), or (b-3), as applicable, to include the information described by Section 26.062.

(c) Requires the taxing unit, if a taxing unit publishes the notice of a public hearing required under this section in a newspaper, to also post the notice prominently on the home page of the Internet website of the taxing unit from the date the notice is first published until the public hearing is concluded. Deletes existing text only requiring taxing units that operate a website to post the notice on the website. Makes a nonsubstantive change.

(d) Authorizes the governing body to vote on the proposed tax rate at the public hearing. Requires the governing body, if the governing body does not vote on the proposed tax rate at the public hearing, to announce at the public hearing the date, time, and place of the meeting at which it will vote on the proposed tax rate. Deletes existing text requiring the notice of the meeting to contain a statement in a certain form and setting forth the language of that statement.

(e) Prohibits a meeting to vote on the tax increase from being held later than the seventh day after the date of the public hearing, rather than prohibiting the meeting to vote on the tax increase from being earlier than the third day or later than the 14th day after the date of the second public hearing. Deletes existing text requiring a new notice to be given if the governing body does not adopt a tax rate that exceeds the lower of the rollback tax rate or the effective tax rate by the 14th day.

SECTION 49. Amends Chapter 26, Tax Code, by adding Sections 26.061, 26.062, and 26.063, as follows:

Sec. 26.061. NOTICE OF MEETING TO VOTE ON PROPOSED TAX RATE THAT DOES NOT EXCEED LOWER OF NO-NEW-REVENUE OR VOTER-APPROVAL TAX RATE. (a) Provides that this section applies only to the governing body of a taxing unit other than a school district that proposes to adopt a tax rate that does not exceed the lower of the no-new-revenue tax rate or the voter-approval tax rate calculated as provided by this chapter.

(b) Requires the notice of the meeting at which the governing body of the taxing unit will vote on the proposed tax rate to contain a statement in a certain form and sets forth the language of that statement.

(c) Requires the notice to include information described by Section 26.062, in addition to the information described by Subsection (b).

(d) Requires the notice required under this section to be provided in the manner required under Section 26.06(c).

Sec. 26.062. ADDITIONAL INFORMATION TO BE INCLUDED IN TAX RATE NOTICE. (a) Requires a notice required by Section 26.061, in addition to the information described by Section 26.06(b-1), (b-2), or (b-3) or 26.061, as applicable, to include at the end of the notice certain statements and a table, and sets forth the language of the statement.

(b) through (g) Sets forth the required format of the table required under this section.

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

Sec. 26.063. ALTERNATE PROVISIONS FOR TAX RATE NOTICE WHEN DE MINIMIS RATE EXCEEDS VOTER-APPROVAL TAX RATE. (a) Provides that this section applies only to a taxing unit that meets certain requirements.

(b) Provides that this subsection applies only to a taxing unit that must hold an election under Section 26.07. Requires the taxing unit, in the notice required to be provided by the taxing unit under Section 26.06(b-1) or (b-3), as applicable, to include certain provisions and definitions.

(c) Provides that this subsection applies only to a taxing unit for which the qualified voters of the taxing unit may petition to hold an election under Section

26.075. Requires the taxing unit, in the notice required to be provided by the taxing unit under Section 26.06(b-1) or (b-3), as applicable, to include certain provisions and definitions.

SECTION 50. Amends Section 26.065(b), Tax Code, to require the taxing unit to post notice of the public hearing prominently on the home page of the Internet website of the taxing unit continuously for at least seven days immediately before the public hearing on the proposed tax rate increase and at least seven days immediately before the date of the vote proposing the increase in the tax rate, rather than requiring only a taxing unit that operates an Internet website to post the required public notice on the taxing unit's website home page.

SECTION 51. Amends Section 26.07, Tax Code, as follows:

Sec. 26.07. New heading: AUTOMATIC ELECTION TO APPROVE TAX RATE OF TAXING UNIT OTHER THAN SCHOOL DISTRICT. (a) Provides that this section applies to a taxing unit other than a school district. Deletes existing text authorizing the qualified voters of a taxing unit other than a school district by petition to require that an election be held to determine whether to reduce the tax rate adopted for the current year to the rollback tax rate calculated as provided by this chapter if the governing body of the taxing unit adopts a tax rate that exceeds that rate.

(b) Creates this subsection from existing text. Provides that, if the governing body of a special taxing unit or a municipality with a population of 30,000 or more adopts a tax rate that exceeds the taxing unit's voter-approval tax rate, or the governing body of a taxing unit other than a special taxing unit or a municipality with a population of less than 30,000 regardless of whether it is a special taxing unit adopts a tax rate that exceeds the greater of the taxing unit's voter-approval tax rate or de minimis rate, the registered voters of the taxing unit at an election held for that purpose must determine whether to approve the adopted tax rate. When increased expenditure of money by a taxing unit is necessary to respond to a disaster, including a tornado, hurricane, flood, wildfire, or other calamity, but not including a drought, that has impacted the taxing unit and the governor has declared any part of the area in which the taxing unit is located as a disaster area, an election is not required under this section to approve the tax rate adopted by the governing body for the year following the year in which the disaster occurs.

(c) Requires the governing body to order that the election be held in the taxing unit on the uniform election date prescribed by Section 41.001, Election Code, that occurs in November of the applicable tax year. Prohibits the order calling the election from being issued later than the 71st day before the date of the election. Requires the ballots at the election to be prepared to permit voting for against a certain proposition and sets forth specified language of the proposition. Requires the ballot proposition to include the adopted tax rate, the difference between the adopted tax rate and the voter-approval tax rate, and the taxing unit's tax rate for the preceding year in the appropriate places. Creates this subsection from text of existing Subsection (d), deletes the designation of that subsection and redesignates existing Subsection (e) as Subsection (d), and deletes existing text relating to a petition for an election.

(d) Provides that, if a majority of votes cast in the election favor the proposition, the tax rate for the current year is the rate that was adopted by the governing body, rather than providing that, if a majority of the qualified voters voting on the question in the election favor the proposition, the tax rate for the taxing units for the current year is the rollback tax rate calculated as provided by this chapter; otherwise, the tax rate for the current year is one adopted by the governing body.

(e) Provides that, if the proposition is not approved as provided by Subsection (d), that taxing unit's tax rate for the current tax year is the taxing unit's voter-approval tax rate.

(f) Requires the assessor for the taxing unit, if after tax bills for the taxing unit have been mailed, a proposition to approve the taxing unit's adopted tax rate is not approved by the voters of the taxing unit at an election held under this section, to prepare and mail corrected tax bills. Deletes existing text relating to an extension for delinquent taxes if corrected bills are issued. Makes conforming and nonsubstantive changes.

(g) Requires the taxing unit, if a property owner pays taxes calculated using the original adopted tax rate of the taxing unit and the proposition to approve the adopted tax rate is not approved by voters, to refund the difference between certain specified tax rates, rather than requiring the taxing unit, if a property owner pays taxes calculated using the higher tax rate when the rate is reduced by an election called under this section, to refund the difference between certain specified tax rates. Makes conforming and nonsubstantive changes.

SECTION 52. Amends Chapter 26, Tax Code, by adding Section 26.075, as follows:

Sec. 26.075. PETITION ELECTION TO REDUCE TAX RATE OF TAXING UNIT OTHER THAN SCHOOL DISTRICT. (a) Provides that this section applies only to certain taxing units.

(b) Provides that this section applies to a taxing unit only in a tax year in which the taxing unit meets certain requirements.

(c) Authorizes the qualified voters of a taxing unit by petition to require that an election be held to determine whether to reduce the tax rate adopted by the governing body of the taxing unit for the current tax year to the voter-approval tax rate.

(d) Provides that a petition is only valid if the petition:

(1) states that it is intended to require an election in the taxing unit on the question of reducing the taxing unit's adopted tax rate for the current tax year;

(2) is signed by a number of registered voters of the taxing unit equal to at least three percent of the registered voters of the taxing unit determined according to the most recent list of those voters; and

(3) is submitted to the governing body of the taxing unit not later than the 90th day after the date on which the governing body adopts the tax rate for the current tax year.

(e) Requires the governing body, not later than the 20th day after the date on which a petition is submitted, to determine whether the petition is valid and to, by resolution, state the governing body's determination. Provides that, if the governing body fails to make the determination in the time and manner required by this subsection, the petition is considered to be valid for the purposes of this section.

(f) Requires the governing body, if the governing body determines that the petition is valid or fails to make the determination in the time and manner required by Subsection (e), to order that an election be held in the taxing unit on the next uniform election date that allows sufficient time to comply with the requirements of other law.

(g) Requires the ballots at the election to be prepared to permit voting for or against a certain specified proposition.

(h) Provides that, if a majority of the votes cast in the election favor the proposition, the tax rate for the current tax year is the voter-approval tax rate.

(i) Provides that, if the proposition is not approved as provided by Subsection (h), the tax rate for the taxing unit for the current tax year is the tax rate adopted by the governing body of the taxing unit for the current tax year.

(j) Requires the assessor for the taxing unit, if the tax rate is reduced by an election held under this section after tax bills for the taxing unit have been mailed, to prepare and mail corrected tax bills. Requires the assessor to include with the bill a brief explanation of the reason for and effect of the corrected bill. Provides that the date on which the taxes become delinquent for the tax year is extended by a number of days equal to the number of days between the date the first tax bills were sent and the date the corrected tax bills were sent.

(k) Requires the taxing unit, if a property owner pays taxes calculated using the higher tax rate when the tax rate is reduced by an election held under this section, to refund the difference between the amount of taxes paid and the amount due under the reduced tax rate if the difference between the amount of taxes paid and the amount due under the reduced tax rate is \$1 or more. Requires the taxing unit, if the difference between the amount of taxes paid and the amount due under the reduced rate is less than \$1, to refund the difference on request of the taxpayer. Requires an application for a refund of less than \$1 to be made within 90 days after the date the refund becomes due or the taxpayer forfeits the right to the refund.

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

SECTION 53. Amends the heading to Section 26.08, Tax Code, to read as follows:

Sec. 26.08. AUTOMATIC ELECTION TO APPROVE TAX RATE OF SCHOOL DISTRICT.

SECTION 54. Amends Section 26.08(a), Tax Code, to add wildfire to a list of disasters, when increased expenditure of money by a school district is necessary to respond to a disaster, for which an election to approve the tax rate adopted by the governing body for the year following the year in which the disaster occurs is not required under this section.

SECTION 55. Amends the heading to Section 26.16, Tax Code, to read as follows:

Sec. 26.16. POSTING OF TAX-RELATED INFORMATION ON COUNTY'S INTERNET WEBSITE.

SECTION 56. Amends Section 26.16, Tax Code, by amending Subsections (a) and (d) and adding Subsections (a-1), (d-1), and (d-2), as follows:

(a) Requires each county to maintain an Internet website. Requires the county assessor-collector for each county to post on the Internet website maintained by the county certain information for the most recent five tax years, rather than requiring the county assessor-collector for each county that maintains an Internet website to post on the website of the county certain 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.

(a-1) Provides that, for purposes of Subsection (a), a reference to the no-new-revenue tax rate or the no-new-revenue maintenance and operations rate includes the equivalent

effective tax rate or effective maintenance and operations rate for a preceding year. Provides that this subsection expires January 1, 2026.

(d) Changes the required statement that the county assessor-collector shall post immediately below the table prescribed by Subsection (c) (relating to a required table under the heading "Truth in Taxation Summary") to delete existing text authorizing the voters of a taxing unit other than a school district to by petition require that a rollback election be held if the unit adopts a tax rate in excess of the unit's rollback tax rate. Replaces references to effective tax rate with no-new-revenue tax rate, and references to the district with a taxing unit, in the statement language.

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

(1) the tax rate calculation forms used by the designated officer or employee of each taxing unit to calculate the no-new-revenue and voter-approval tax rates of the taxing unit for the most recent five tax years beginning with the 2020 tax year, as certified by the designated officer or employee under Section 26.04(d-2); and

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

(d-2) Requires the county assessor-collector to post on the website the tax rate calculation forms described by Subsection (d-1)(1) for the current tax year not later than August 7 or as soon thereafter as practicable.

SECTION 57. Amends Chapter 26, Tax Code, by adding Sections 26.17 and 26.18, as follows:

Sec. 26.17. DATABASE OF PROPERTY-TAX-RELATED INFORMATION. (a) Requires the chief appraiser of each appraisal district to create and maintain a property tax database that meets certain requirements.

(b) Requires the database to include certain information with respect to each property listed on the appraisal roll for the appraisal district.

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

(d) Requires the database to allow the property owner to electronically complete and submit to a taxing unit in which the owner's property is located a form on which the owner may provide the owner's opinion as to whether the tax rate proposed by the governing body of the taxing unit should be adopted. Requires the form to require the owner to provide the owner's name and contact information and the physical address of the owner's property located in the taxing unit. Requires the database to allow a property owner to complete and submit the form at any time during the period beginning on the date the governing body of the taxing unit proposes the tax rate for that tax year and ending on the date the governing body adopts a tax rate for that tax year.

(e) Requires the officer or employee designated by the governing body of each taxing unit to calculate the no-new-revenue tax rate and the voter-approval tax rate for the taxing unit to electronically incorporate into the database certain information and tax rate calculation forms.

(f) Requires the chief appraiser to make the information described by Subsection (e)(1) and the tax rate calculation forms described by Subsection (e)(2) available to the public not later than the third business day after the date the information and forms are incorporated into the database.



Sec. 26.18. POSTING OF TAX RATE AND BUDGET INFORMATION BY TAXING UNIT ON WEBSITE. Requires each taxing unit to maintain an Internet website or have access to a generally accessible Internet website that may be used for the purposes of this section. Requires each taxing unit to post or cause to be posted on the Internet website certain information in a format prescribed by the comptroller.

SECTION 58. Amends Sections 31.12(a) and (b), Tax Code, as follows:

(a) Adds Section 26.075(k) to the list of certain taxes that may be refunded with no interest due on the amount refunded if the refund is paid by a specified date.

(b) Provides that, for purposes of this section, liability for a refund arises:

(1) makes a nonsubstantive change to this subdivision;

(2) if the refund is required by Section 26.07(g) or 26.075(k), rather than by Section 26.07(g), on the date the results of the election to approve or reduce the tax rate, as applicable, are certified, rather than on the date the results of the election to reduce the tax rate are certified;

(3) makes no changes to this subdivision;

(4) makes a nonsubstantive change to this subdivision; or

(5) and (6) make no changes to these subdivisions.

SECTION 59. Amends Section 33.08(b), Tax Code, as follows:

(b) Deletes Section 26.07(f) (relating to the issuance of corrected bills) and adds Section 26.075(j) to a list of sections under which taxes that become delinquent on or after June 1 may incur an additional penalty to defray the costs of collection, as provided by the governing body of the taxing unit or appraisal district, in the manner required by law for official action.

SECTION 60. Amends Section 41.03(a), Tax Code, to delete a challenge of the level of appraisals of any category of property in the district or in any territory in the district, but not the appraised value of a single taxpayer's property, from a list of challenges a taxing unit is entitled to bring before the appraisal review board and renumbers the following subdivisions accordingly.

SECTION 61. Amends Section 41.44(d), Tax Code, to require a form providing notice of protest to permit a property owner to request that the protest be heard by a special panel established under Section 6.425 if the protest will be determined by an appraisal review board to which that section applies and if the property is included in a classification described by Section 6.425(b).

SECTION 62. Amends Section 41.45, Tax Code, by amending Subsection (d) and adding Subsections (d-1), (d-2), and (d-3), as follows:

(d) Provides that this subsection does not apply to a special panel established under Section 6.425. Deletes existing text requiring the determination of a protest heard by a panel to be made by the appraisal review board. Deletes existing text requiring the appraisal review board, before determining a protest or conducting a rehearing before a new panel or the appraisal review board, to deliver notice of the hearing or meeting to determine the protest in accordance with the provisions of this subchapter. Makes a nonsubstantive change.

(d-1) Requires an appraisal review board to which Section 6.425 applies to sit in special panels established under that section to conduct protest hearings. Authorizes a special panel to conduct a protest hearing relating to property only if the property is described by

Section 6.425(b) and the property owner has requested that a special panel conduct the hearing or if the protest is assigned to the special panel under Section 6.425(f). Authorizes the appraisal review board, if the recommendation of a special panel is not accepted by the appraisal review board, to refer the matter for rehearing to another special panel composed of members who did not hear the original protest or, if there are not at least three other special panel members who did not hear the original protest, authorizes the appraisal review board to determine the protest.

(d-2) Requires the appraisal review board to make the determination of a protest heard by a panel under Subsection (d) or (d-1).

(d-3) Requires the appraisal review board to deliver notice of a hearing or meeting to determine a protest heard by a panel, or to rehear a protest, under Subsection (d) or (d-1) in accordance with the provisions of this subchapter.

SECTION 63. Amends Section 41.461, Tax Code, as follows:

(a) Requires the appraisal review board before which a protest hearing is scheduled to deliver written notice to the property owner initiating a protest not later than the 15th day before the date of the hearing. Requires the notice to include certain information relating to hearing schedule, subject matter of protest, and entitlement of the property owner to a postponement of the hearing. Makes nonsubstantive changes.

SECTION 64. Amends Section 41.461, Tax Code, as follows:

Sec. 41.461. New heading: NOTICE OF CERTAIN MATTERS BEFORE HEARING; DELIVERY OF REQUESTED INFORMATION. (a) Requires the chief appraiser, at least 14 days before the first scheduled hearing on a protest, to:

(1) deliver a copy of the pamphlet prepared by the comptroller under Section 5.06 to the property owner initiating the protest, rather than under 5.06(a), to the property owner initiating the protest if the owner is representing himself, or to an agent representing the owner if requested by the agent;

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

(3) makes no changes to this subdivision.

(b) Prohibits the chief appraiser from charging a property owner or the designated agent of the owner for copies provided to the owner or designated agent under this section, regardless of the manner in which the copies are prepared or delivered. Deletes existing text relating to prohibiting charges for copies from exceeding certain limits.

(c) Requires a chief appraiser to deliver information requested by a property owner or the agent of the owner under Subsection (a)(2):

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

(2) in an electronic format as provided by Section 1.085 (Communication in Electronic Format); or

(3) subject to Subsection (d), by referring the property owner or the agent of the owner to a secure Internet website with user registration and authentication or to the exact Internet location or URL address on an Internet website maintained by the appraisal district on which the requested information is identifiable and readily available.

(d) Requires the notice to contain a statement in a conspicuous font that clearly indicates that the property owner or the agent of the owner may on request receive the information by regular first-class mail or in person at the appraisal office, if a chief appraiser provides a property owner or the designated agent of the owner information under Subsection (c)(3). Requires the chief appraiser to provide the information by regular first-class mail or in person at the appraisal office on request by a property owner or the agent of the owner.

SECTION 65. Amends Section 41.47, Tax Code, by adding Subsections (c-2), (f) and (g) and amending Subsections (d) and (e), as follows:

(c-2) Prohibits the appraisal review board from determining the appraised value of the property that is the subject of a protest to be an amount greater than the appraised value of the property as shown in the appraisal records submitted to the board by the chief appraiser under Section 25.22 (Submission For Review and Protest) or 25.23 (Supplemental Appraisal Records), except as requested and agreed to by the property owner. Provides that this subsection does not apply if the action being protested is the cancellation, modification, or denial of an exemption or the determination that the property does not qualify for appraisal as provided by Subchapter C (Land Designated For Agricultural Use), D (Appraisal of Agricultural Land), E (Appraisal of Timber Land), or H (Appraisal of Restricted-Use Timber Land), Chapter 23.

(d) Requires the board to deliver by certified mail:

(1) creates this subdivision from existing text and makes a nonsubstantive change; and

(2) a copy of the appraisal review board survey prepared under Section 5.104 and instructions for completing and submitting the survey to the property owner.

(e) Requires the notice of the issuance of the order to contain a prominently printed statement in upper-case bold lettering informing the property owner in clear and concise language of the property owner's right to appeal the order of the board, rather than board's decision, to district court. Makes nonsubstantive changes.

(f) Requires the appraisal review board to take the actions required by Subsections (a) and (d) not later than:

(1) the 30th day after the date the hearing on the protest is concluded, if the board is established for an appraisal district located in a county with a population of less than four million; or

(2) the 45th day after the date the hearing on the protest is concluded, if the board is established for an appraisal district located in a county with a population of four million or more.

(g) Authorizes the chief appraiser and the property owner or the designated agent of the owner to file a joint motion with the appraisal review board notifying the board that the chief appraiser and the property owner or the designated agent of the property owner have agreed to a disposition of the protest and requesting the board to issue an agreed order. Requires the joint motion to contain the terms of the disposition of the protest. Requires the board to issue the agreed order not later than the fifth day after the date on which the joint motion is filed with the board. Authorizes the chief appraiser and the property owner or the designated agent of the owner to provide in the joint motion that

the agreed order is appealable in the same manner as any other order issued by the board under this section.

SECTION 66. Amends Section 41.66, Tax Code, by amending Subsections (h), (i), (j), and (k) and adding Subsections (j-1), (j-2), (k-1), and (p), as follows:

(h) Requires the appraisal review board to postpone a hearing on a protest if the property owner or the designated agent of the owner, rather than the property owner, requests additional time to prepare for the hearing and establishes to the board that the chief appraiser failed to comply with Section 41.461.

(i) Makes conforming changes to this subsection.

(j) Requires an appraisal review board to schedule hearings on protests concerning up to 20 designated properties to be held consecutively on the same day, rather than on the same day, on the request of a property owner or the designated agent of the owner. Authorizes a property owner or the designated agent of the owner to file more than one request under this subsection with the appraisal review board in the same tax year and deletes existing text prohibiting such action. Makes conforming changes.

(j-1) Authorizes an appraisal review board to schedule the hearings on all protests filed by a property owner or the designated agent of the owner to be held consecutively. Requires the notice of the hearings to state the date and time that the first hearing will begin, state the date the last hearing will end, and list the order in which the hearings will be held. Prohibits the order of the hearings listed in the notice from being changed without the agreement of the property owner or the designated agent of the owner, the chief appraiser, and the appraisal review board. Prohibits the appraisal review board from rescheduling a hearing for which notice is given under this subsection to a date earlier than the seventh day after the date the last hearing was scheduled to end unless agreed to by the property owner or the designated agent of the owner, the chief appraiser, and the appraisal review board. Requires the appraisal review board to provide written notice of the date and time of the rescheduled hearing to the property owner or the designated agent of the owner not later than the seventh day before the date of the hearing, unless agreed to by the parties.

(j-2) Requires an appraisal review board to schedule a hearing on a protest filed by a property owner who is 65 years of age or older, disabled, a military service member, a military veteran, or the spouse of a military service member or military veteran before scheduling a hearing on a protest filed by a designated agent of a property owner.

(k) Provides that this subsection does not apply to a special panel established under Section 6.425. Makes conforming changes.

(k-1) Requires an appraisal review board to which Section 6.425 applies to assign a protest relating to property described by Section 6.425(b) to a special panel on the request of a property owner or the designated agent of the owner. Authorizes the chairman of the appraisal review board to assign a protest relating to property not described by Section 6.425(b) to a special panel as authorized by Section 6.425(f), but only if the assignment is requested or consented to by the property owner or the designated agent of the owner. Requires protests assigned to special panels to be randomly assigned to those panels. Prohibits the protest from being reassigned to another special panel without the consent of the property owner or the designated agent of the owner, if a protest is scheduled to be heard by a particular special panel. Authorizes a property owner or the designated agent of the owner to agree to reassignment of the protest or to request that the hearing on the protest be postponed, if the board has cause to reassign a protest to another special panel. Requires to the board to postpone the hearing on that request. Provides that a change of members of a special panel because of a conflict of interest, illness, or inability to continue participating in hearings for the remainder of the day does not constitute reassignment of a protest to another special panel.

(p) Requires the appraisal review board, at the end of a hearing on a protest, to provide the property owner or the designated agent of the owner one or more documents indicating that the members of the board hearing the protest signed the affidavit required by Subsection (g) (relating to an affidavit stating that the appraisal review board member has not communicated with certain other persons).

SECTION 67. Amends Section 41.67(d), Tax Code, as follows:

(d) Prohibits information that was previously requested under Section 41.461 by the protesting party that was not delivered, rather than not made available, to the protesting party at least 14 days before the scheduled or postponed hearing from being used or offered in any form as evidence in the hearing, including as a document or through argument or testimony. Provides that this subsection does not apply to information offered to rebut evidence or argument presented at the hearing by the protesting party or that party's designated agent.

SECTION 68. Amends Section 41.71, Tax Code, as follows:

Sec. 41.71. EVENING AND WEEKEND HEARINGS. (a) Creates this subsection from existing text. Requires an appraisal review board by rule to provide for hearings on protests on a Saturday or after 5 p.m. on a weekday. Deletes the requirement for an appraisal review board to provide for hearings on protests in the evening and on a Sunday.

(b) Prohibits the board from scheduling the first hearing on a protest held on a weekday evening to begin after 7 p.m. or scheduling a hearing on a protest on a Sunday.

SECTION 69. Amends Section 41A.03(a-1), Tax Code, as follows:

(a-1) Provides that, if a property owner requests binding arbitration under this chapter to appeal appraisal review board order involving two or more contiguous tracts of land that are owned by the property owner, rather than involving two or more tracts of land that are contiguous to one another, a single arbitration deposit in the amount provided by Subsection (a)(2) is sufficient to satisfy the requirement of Subsection (a)(2). Defines "contiguous tracts of land" for purposes of this subsection.

SECTION 70. Amends Section 41A.06(b), Tax Code, as follows:

(b) Requires a person to meet certain requirements, including to complete the courses for training and education of appraisal review board members established under Sections 5.041(a) and (e-1) and be issued a certificate for each course indicating course completion and to complete the training program on property tax law for the training and education of arbitrators established under Section 5.043, in order to initially qualify to serve as an arbitrator under this chapter. Creates a new subdivision from existing text and makes nonsubstantive changes.

SECTION 71. Amends Sections 41A.061(b) and (c), Tax Code, as follows:

(b) Requires a person, to renew the person's agreement to serve as an arbitrator, to:

(1) makes no changes to this subdivision;

(2) continue to meet the requirements provided by Sections 41A.06(b)(1) and (4), rather than provided by Section 41A.06(b);

(3) makes a nonsubstantive change to this subdivision; and

(4) complete a revised training program on property tax law for the training and education of arbitrators established under Section 5.043 not later than the 120th day after the date the program is available to be taken if the comptroller:

(A) revises the program after the person is included in the registry; and

(B) determines that the program is substantially revised.

(c) Requires the comptroller to remove a person from the registry if:

(1) and (2) makes nonsubstantive changes to these subdivisions; or

(3) the person fails to complete a revised training program on property tax law for the training and education of arbitrators established under Section 5.043 not later than the 120th day after the date the program is available to be taken if the comptroller:

(A) revises the program after the person is included in the registry; and

(B) determines that the program is substantially revised.

SECTION 72. Amends Section 41A.07, Tax Code, by amending Subsections (e), (f), and (g) and adding Subsection (h), as follows:

(e) Requires that the arbitrator, to be eligible for appointment as an arbitrator under this section, rather than under Subsection (a), reside in in this state. Deletes existing text relating to the residency requirements in certain counties.

(f) Provides that a person is not eligible for an appointment as an arbitrator under this section, rather than under Subsection (a), if at any time during the preceding two years, rather than the preceding five years, the person has served in certain capacities.

(g) Makes a conforming change to this subsection.

(h) Authorizes a property owner to request that, in appointing an initial arbitrator under this section (Appointment of Arbitrator), the comptroller appoint an arbitrator who resides in the county in which the property that is the subject of the appeal is located or an arbitrator who resides outside that county. Requires the comptroller, in appointing an initial arbitrator under Subsection (a), to comply with the request of the property owner unless the property owner requests that the comptroller appoint an arbitrator who resides in the county in which the property that is the subject of the appeal is located and there is not an available arbitrator who resides in that county. Requires the comptroller to consider but provides that the comptroller is not required to comply with the request of the property owner in appointing a substitute arbitrator under Subsection (d). Provides that this subsection does not authorize a property owner to request the appointment of a specific individual as an arbitrator.

SECTION 73. Amends Section 41A.09(b), Tax Code, to require an award under this section (Award; Payment of Arbitrator's Fee) to specify the arbitrator's fee, which may not exceed the amount provided by Section 41A.06(b)(4), rather than the amount provided by Section 41A.06(b)(2), among other provisions.

SECTION 74. Amends Subchapter A, Chapter 42, Tax Code, by adding Section 42.081, as follows:

Sec. 42.081. DEFERRAL OF DELINQUENT TAX SUIT DURING APPEAL. Prohibits a taxing unit that imposes taxes on property that is the subject of an appeal under this chapter (Judicial Review) from filing a suit to collect a delinquent tax on the property during the pendency of the appeal unless it is determined by the court that the property

owner failed to comply with Section 42.08 (Forfeiture of Remedy For Nonpayment of Taxes).

SECTION 75. Amends Section 403.302, Government Code, by adding Subsections (k) and (k-1) and amending Subsection (o), as follows:

(k) Requires the comptroller, if the comptroller determines in the final certification of the study that the school district's local value as determined by the appraisal district that appraises property for the school district is not valid, to provide notice of the comptroller's determination to the board of directors of the appraisal district. Requires the board of directors of the appraisal district to hold a public meeting to discuss the receipt of notice under this subsection.

(k-1) Requires the comptroller, if the comptroller determines in the final certification of the study that the school district's local value as determined by the appraisal district that appraises property for the school district is not valid for three consecutive years, to conduct an additional review of the appraisal district under Section 5.102 (Review of Appraisal Districts), Tax Code, and provide recommendations to the appraisal district regarding appraisal standards, procedures, and methodologies. Authorizes the comptroller to contract with a third party to assist the comptroller in conducting the additional review and providing the recommendations required under this subsection. Requires the comptroller, if the appraisal district fails to comply with the recommendations provided under this subsection and the comptroller finds that the board of directors of the appraisal district failed to take remedial action reasonably designed to ensure substantial compliance with each recommendation before the first anniversary of the date the recommendations were made, to notify the Texas Department of Licensing and Regulation (TDLR), or a successor to TDLR, which must take action necessary to ensure that the recommendations are implemented as soon as practicable. Requires TDLR, with the assistance of the comptroller, before February 1 of the year following the year in which TDLR, or a successor to TDLR, takes action under this subsection, to determine whether the recommendations have been substantially implemented and notify the chief appraiser and the board of directors of the appraisal district of the determination. Requires the board of directors of the appraisal district, if TDLR determines that the recommendations have not been substantially implemented, to, within three months of the determination, consider whether the failure to implement the recommendations was under the current chief appraiser's control and whether the chief appraiser is able to adequately perform the chief appraiser's duties.

(o) Requires the comptroller to adopt rules governing the conduct of the study after consultation with the comptroller's property tax administration advisory board, rather than after consultation with the Comptroller's Property Value Study Advisory Committee.

SECTION 76. Amends Section 281.107(j), Health and Safety Code, to make a conforming change.

SECTION 77. Amends the heading to Section 281.124, Health and Safety Code, to read as follows:

Sec. 281.124. ELECTION TO APPROVE TAX RATE IN EXCESS OF VOTER-APPROVAL TAX RATE.

SECTION 78. Amends Sections 281.124(b), (c), (d), and (e), Health and Safety Code, to make conforming and nonsubstantive changes.

SECTION 79. Amends Section 102.007(d), Local Government Code, to make conforming changes.

SECTION 80. Amends Section 111.008(d), Local Government Code, to make conforming changes.

SECTION 81. Amends Section 111.039(d), Local Government Code, to make conforming changes.

SECTION 82. Amends Section 111.068(c), Local Government Code, to make conforming changes.

SECTION 83. Amends Section 1101.254(f), Special District Local Laws Code, as follows:

(f) Provides that this section (Limit on Annual Increase in Tax Rate) does not affect the applicability of Section 26.07, Tax Code, to the Sutton County Hospital District's (district) tax rate, except that if district voters approve a tax rate increase under this section, Section 26.07, Tax Code, does not apply to the tax rate for that year. Deletes existing text providing that this section does not affect any right district voters may have to petition for an election under Section 26.07, Tax Code, except that if district voters approve a tax rate increase under this section, the voters may not petition for an election under Section 26.07, Tax Code, as to the tax rate for that year.

SECTION 84. Amends Sections 1122.2522, 3828.157, and 8876.152, Special District Local Laws Code, as follows:

Sec. 1122.2522. New heading: VOTER-APPROVAL TAX RATE PROVISIONS APPLICABLE. Requires that, if in any year the board of directors of the Hidalgo County Healthcare District (board; district) adopts a tax rate that exceeds the voter-approval tax rate calculated as provided by Chapter 26, Tax Code, an election under Section 26.07 of that code be held to determine whether or not to approve the tax rate adopted by the board for that year. Deletes existing text authorizing the qualified voters of the district by petition to require an election be held to determine whether or not to reduce the tax rate adopted by the board for that year to the rollback tax rate. Deletes existing Subsection (b) providing that, to the extent a conflict exists between this section and a provision of the Tax Code, the provision of the Tax Code prevails. Deletes the designation of Subsection (a).

Sec. 3828.157. INAPPLICABILITY OF CERTAIN TAX CODE PROVISIONS. Includes Section 26.075, Tax Code, among the sections that do not apply to a tax imposed under Sections 3828.153 (Maintenance and Operation Tax; Election) or 3828.156 (Tax For Bonds and Other Obligations).

Sec. 8876.152. APPLICABILITY OF CERTAIN TAX PROVISIONS. (a) Includes Sections 26.061 and 26.075, Tax Code, among the sections that do not apply to a tax imposed by the Reeves County Groundwater Conservation District (district).

(b) Provides that Sections 49.236(a)(1) (relating to notice of board meetings considering ad valorem tax rate adoption) and (2) (relating to information contained in the notice) and (b) (relating to advertisement of the notice), Water Code, apply to the district. Deletes existing text providing that Section 49.236, Water Code, as added by Chapter 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session, 2003, applies to the district.

SECTION 85. Amends Section 49.057, Water Code, by amending Subsection (b) and adding Subsection (b-1), as follows:

(b) Requires the board of a developed district, as defined by Section 49.23602, to include as an appendix to the budget the district's audited financial statements, bond transcripts, and engineer's reports required by Section 49.106 (Bond Elections).

(b-1) Creates this subsection from existing text and makes no further changes.

SECTION 86. Amends Section 49.107(g), Water Code, to make conforming changes.

SECTION 87. Amends Section 49.108(f), Water Code, to make conforming changes.



SECTION 88. Amends Section 49.236(a), Water Code, as added by Chapter 335 (S.B. 392), Acts of the 78th Legislature, Regular Session, 2003, to set forth requirements and specified language for the notice of meeting required to be given before the board adopts an ad valorem tax rate for district debt service, operation and maintenance purposes, or contract purposes.

SECTION 89. Amends Subchapter H, Chapter 49, Water Code, by adding Sections 49.23601, 49.23602, and 49.23603, as follows:

Sec. 49.23601. AUTOMATIC ELECTION TO APPROVE TAX RATE FOR LOW TAX RATE DISTRICTS. (a) Defines "voter-approval" tax rate for purposes of this section.

(b) Provides that this section applies only to a district the board of which has adopted an operation and maintenance tax rate for the current tax year that is 2.5 cents or less per \$100 of taxable value.

(c) Requires an election to be held in accordance with the procedures provided by Sections 26.07(c)-(g), Tax Code, to determine whether to approve the adopted tax rate if the board of a district adopts a combined debt service, contract, and operation and maintenance tax rate that would impose more than 1.08 times the amount of tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older. Provides that, if the adopted tax rate is not approved at the election, the district's tax rate is the voter-approval tax rate.

Sec. 49.23602. AUTOMATIC ELECTION TO APPROVE TAX RATE FOR CERTAIN DEVELOPED DISTRICTS. (a) Defines "developed district," "mandatory tax election rate," "unused increment rate," and "voter-approval tax rate" for purposes of this section.

(b) Provides that this section applies only to a developed district that is not a district described by Section 49.23601.

(c) Requires an election to be held in accordance with the procedures provided by Sections 26.07(c)-(g), Tax Code, to determine whether to approve the adopted tax rate if the board of a district adopts a combined debt service, contract, and operation and maintenance tax rate that exceeds the district's mandatory tax election rate. Provides that, if the adopted tax rate is not approved at the election, the district's tax rate is the voter-approval tax rate.

(d) Authorizes the board of a district, notwithstanding any other provision of this section, to give notice under Section 49.236(a)(3)(A), to determine whether an election is required to approve the adopted tax rate of the district in the manner provided for a district under Section 49.23601(c), and calculate the voter-approval tax rate of the district in the manner provided for a district under Section 49.23601(a) if any part of the district is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States. Authorizes the board to continue doing so until the earlier of:

(1) the second tax year in which the total taxable value of property taxable by the district as shown on the appraisal roll for the district submitted by the assessor for the district to the board exceeds the total taxable value of property taxable by the district on January 1 of the tax year in which the disaster occurred; or

(2) the third tax year after the tax year in which the disaster occurred.

Sec. 49.23603. PETITION ELECTION TO REDUCE TAX RATE FOR CERTAIN DISTRICTS. (a) Defines "voter-approval tax rate" for purposes of this section.

(b) Provides that this section applies only to a district that is not described by Section 49.23601 or 49.23602.

(c) Authorizes the qualified voters of the district by petition to require that an election be held to determine whether to reduce the tax rate adopted for the current year to the voter-approval tax rate in accordance with the procedures provided by Sections 26.075 and 26.081 (Petition Signatures), Tax Code, if the board of a district adopts a combined debt service, contract, and operation and maintenance tax rate that would impose more than 1.08 times the amount of tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older.

SECTION 90. Amends Section 6B(f), Chapter 1472, Acts of the 77th Legislature, Regular Session, 2001, to make conforming changes.

SECTION 91. Repealers: Sections 403.302(m-1) (relating to the creation of the Comptroller's Property Value Study Advisory Committee) and (n) (relating to the exclusion of the Comptroller's Property Value Study Advisory Committee from applicability of Chapter 2110, Government Code), Government Code.

Repealer: Section 140.010 (Proposed Property Tax Rate Notice For Counties and Municipalities), Local Government Code.

Repealer: Section 1063.255 (Petition and Order For Election to Reduce Tax Rate), Special District Local Laws Code.

Repealers: Sections 5.103(e) (relating to content requirements of a certain survey form) and (f) (relating to an annual report by the comptroller summarizing the survey forms), Tax Code.

Repealer: Section 6.412(e) (relating to ineligibility of a person who has served three consecutive terms on an appraisal review board to serve a term that begins on the next January 1 following the third consecutive term), Tax Code.

Repealer: Section 22.23(c) (relating to the filing deadlines for certain rendition statements and property reports), Tax Code.

Repealers: Section 25.19(b-2) (relating to required notice to owners of property that may qualify for a residence homestead exemption), Tax Code.

Repealer: Section 41A.06(c) (relating to the requirement that an arbitrator complete a training program on property tax law that meets certain requirements), Tax Code.

Repealer: Section 49.236 (Notice of Tax Hearing), Water Code, as added by Chapter 248 (H.B. 1541), Acts of the 78th Legislature, Regular Session, 2003.

Repealer: Section 49.236(d) (relating to authorizing voters in a district that adopts a certain tax rate to petition for an election on whether to reduce the tax rate), Water Code, as added by Chapter 335 (S.B. 392), Acts of the 78th Legislature, Regular Session, 2003.

Repealer: Section 49.2361 (Additional Notice For Certain Tax Increases), Water Code.

SECTION 92. Repealer: Section 9 (relating to authorizing a court to give preference to certain testimony regarding property value), Chapter 481 (S.B. 1760), Acts of the 84th Legislature, Regular Session, 2015, which added Section 42.23(i), Tax Code, effective January 1, 2020.

(b) Effective date, this section: September 1, 2019.

SECTION 93. Makes application of Section 5.041, Tax Code, as amended by this Act, prospective to January 1, 2020.

SECTION 94. Requires the comptroller to implement Section 5.043, Tax Code, as added by this Act, as soon as practicable after January 1, 2020.

SECTION 95. Makes application of Sections 5.05, 5.102, 5.13, and 23.01, Tax Code, as amended by this Act, prospective to January 1, 2020.

SECTION 96. (a) Requires the comptroller to comply with Sections 5.07(f), (g), (h), and (i), Tax Code, as added by this Act, as soon as practicable after January 1, 2020.

(b) Requires the comptroller to comply with Section 5.091, Tax Code, as amended by this Act, not later than:

(1) January 1, 2022, with regard to tax rate information related to a taxing unit located wholly or partly in a county with a population of 120,000 or more; and

(2) January 1, 2023, with regard to tax rate information related to a taxing unit located wholly in a county with a population of less than 120,000.

SECTION 97. Makes application of Section 5.09, Tax Code, as amended by this Act, prospective to January 1, 2020.

SECTION 98. Requires the comptroller to prepare and make available the survey and instructions for completing and submitting the form required by Section 5.104, Tax Code, as added by this Act, as soon as practicable after January 1, 2020. Provides that an appraisal district is not required to provide the survey or instructions under a requirement of that section until the survey and instructions are prepared and made available by the comptroller.

SECTION 99. Makes application of Section 6.41(d-9), Tax Code, as amended by this Act, prospective to January 1, 2021.

SECTION 100. Provides that Section 6.412, Tax Code, as amended by this Act, does not affect the eligibility of a person serving on an appraisal review board immediately before January 1, 2020, to continue to serve on the board for the term to which the member was appointed.

SECTION 101. Makes application of Section 6.42(d), Tax Code, as added by this Act, prospective to January 1, 2020.

SECTION 102. Makes application of Section 11.24, Tax Code, as amended by this Act, prospective to January 1, 2020.

SECTION 103. Makes application of Sections 11.4391(a) and 22.23(d), Tax Code, as amended by this Act, prospective to January 1, 2020.

SECTION 104. Makes application of Sections 25.192 and 25.193, Tax Code, as added by this Act, prospective to January 1, 2020.

SECTION 105. (a) Requires an appraisal district established in a county with a population of 200,000 or more and each taxing unit located wholly or primarily in such an appraisal district to comply with Sections 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18, Tax Code, as added by this Act, beginning with the 2020 tax year.

(b) Requires an appraisal district established in a county with a population of less than 200,000 and each taxing unit located wholly or primarily in such an appraisal district to comply with Sections 26.04(e-2), 26.05(d-1) and (d-2), 26.17, and 26.18, Tax Code, as added by this Act, beginning with the 2021 tax year.

SECTION 106. (a) Requires that, not later than the 30th day after the date this section takes effect:

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

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

(b) Effective date, this section: upon passage or on the 91st day after the last day of the legislative session.

SECTION 107. Provides that a taxing unit that does not own, operate, or control an Internet website is not required to comply with Sections 26.05(b)(2) and 26.065(b), Tax Code, as amended by this Act, until the first tax year in which the taxing unit is required by law to maintain or have access to an Internet website.

SECTION 108. Makes application of Section 33.08(b), Tax Code, as amended by this Act, prospective to January 1, 2020.

SECTION 109. Makes application of Section 41.03(a), Tax Code, as amended by this Act, prospective to January 1, 2020.

SECTION 110. Makes application of Sections 41.45 and 41.66(k), Tax Code, as amended by this Act, and Section 41.66(k-1), Tax Code, as added by this Act, prospective to January 1, 2021.

SECTION 111. Makes application of Sections 41.46, 41.461, 41.47, 41.66(h), (i), and (j), and 41.67, Tax Code, as amended by this Act, and Sections 41.66(j-1), (j-2), and (p), Tax Code, as added by this Act, prospective to January 1, 2020.

SECTION 112. Makes application of Section 41.71, Tax Code, as amended by this Act, prospective to January 1, 2020.

SECTION 113. Makes application of Sections 41A.03 and 41A.07, Tax Code, as amended by this Act, prospective to January 1, 2020.

SECTION 114. (a) Requires a person who immediately before January 1, 2020, serves as an arbitrator in binding arbitrations of appeals of appraisal review board orders to meet the requirements of Section 41A.06(b)(3), Tax Code, as added by this Act, not later than the 120th day after the date the comptroller begins to provide the training required under Section 5.043, Tax Code, as added by this Act.

(b) Provides that this Act does not prohibit a person who is serving as an arbitrator on January 1, 2020, from renewing the person's agreement with the comptroller to serve as an arbitrator if the person has the qualifications required for an arbitrator under the Tax Code as amended by this Act.

SECTION 115. Makes application of Section 42.081, Tax Code, as added by this Act, prospective to January 1, 2020.

SECTION 116. Provides that, the first tax year that may be considered for purposes of the condition to the applicability of Section 403.302(k-1), Government Code, as added by this Act, that the comptroller has determined in a study under Section 403.302 of that code that a school district's local value as determined by the appraisal district that appraises property for the school district is not valid for three consecutive years is the 2020 tax year.

SECTION 117. Makes application of Section 49.057, Water Code, as amended by this Act, prospective to January 1, 2020.

SECTION 118. (a) Requires the comptroller, not later than the 30th day after the date this section takes effect, to provide a written notice to each appraisal district of:

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

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

(b) Requires the chief appraiser of an appraisal district, as soon as practicable after receipt of the notice provided by the comptroller under Subsection (a) of this section, to forward the notice to each assessor for a taxing unit located in the appraisal district.

(c) Effective date, this section: upon passage or on the 91st day after the last day of the legislative session.

SECTION 119. (a) Defines "compensation," "first responder," and "taxing unit" for purposes of this section.

(b) Provides that this section applies only to the fiscal year of a taxing unit that begins in 2020.

(c) Prohibits the governing body of a taxing unit from adopting a budget for a fiscal year or taking any other action that has the effect of decreasing the total compensation to which a first responder employed by the taxing unit was entitled in the preceding fiscal year of the taxing unit.

SECTION 120. Makes application of this Act contingent upon passage of H.B. 3, 86th Legislature, Regular Session, 2019.

SECTION 121. (a) Effective date, except as otherwise provided by this Act: January 1, 2020.

(b) Provides that the following provisions take effect September 1, 2020:

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

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

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

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

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

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

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

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

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

(c) Provides that the following provisions take effect January 1, 2021:

(1) Sections 25.19(b-3) and (b-4), Tax Code, as added by this Act;

(2) Sections 26.04(d-1), (d-2), (d-3), and (e-5), Tax Code, as added by this Act;

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

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

(d) Provides that Sections 25.19(b) and (i), Tax Code, as amended by this Act, take effect January 1, 2022.