

CHAPTER 456

H.B. No. 328

AN ACT

relating to the notice that a taxing unit must give of a proposed ad valorem tax rate increase.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Section 26.06, Tax Code, is amended by amending Subsection (b) and adding Subsection (g) to read as follows:

(b) The notice of a public hearing may not be smaller than one-quarter page of a standard-size or a tabloid-size newspaper, and the headline on the notice must be in 18-point or larger type. The notice must:

(1) contain a statement [~~be given~~] in the following form:

“NOTICE OF PUBLIC HEARING ON TAX INCREASE

“The (name of the taxing unit) will hold a public hearing on a proposal to increase total tax revenues from properties on the tax roll in (the preceding year) by (percentage of increase over the tax rate submitted pursuant to Section 26.04 of this code) percent. Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the change in the taxable value of your property in relation to the change in taxable value of all other property.

“The public hearing will be held on (date and time) at (meeting place).

“(Names of all members of the governing body, showing how each voted on the proposal to consider the tax increase or, if one or more were absent, or indicating the absences.)”; and

(2) contain the following information:

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

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

(C) the average appraised value of a residence homestead in the taxing unit in the preceding year and in the current year; the unit's homestead exemption, other than an exemption available only to disabled persons or persons 65 years of age or older, applicable to that appraised value in each of those years; and the average taxable value of a residence homestead in the unit in each of those years, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older;

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

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

(F) the difference between the amounts of tax calculated under Paragraphs (D) and (E) of this subdivision, expressed in dollars and cents and described as the annual increase or decrease, as applicable, in the tax to be imposed by the unit on the average residence homestead in the unit in the current year if the proposed tax rate is adopted.

(g) The State Property Tax Board by rule shall prescribe the language and format to be used in the part of the notice required by Subsection (b)(2) of this section. A notice under Subsection (b) is not valid if it does not substantially conform to the language and format prescribed by the board under this subsection.

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed by the House on April 23, 1987, by a non-record vote. Passed by the Senate on May 21, 1987, by the following vote: Yeas 30, Nays 0.

Approved June 17, 1987.

Effective Aug. 31, 1987, 90 days after date of adjournment.