

Truth-in-Taxation

DISCLAIMER

Please be advised that this information is being provided solely as an informational resource. The information provided neither constitutes nor serves as a substitute for legal advice. Questions regarding the meaning or interpretation of any information included or referenced herein should be directed to legal counsel and not to the Comptroller's staff.

The screenshot shows the website header with the logo for Susan Combs, Texas Comptroller of Public Accounts. The main content area is titled "Truth-in-Taxation: Tax Rate Adoption" and contains several paragraphs of text explaining the process. A sidebar on the right lists various links, with two blue arrows pointing to "Small Taxing Units" and "All Other Taxing Units".

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Texas Constitution, Article VIII, Section 21
Tax Code, Chapter 26

Purposes

- Taxpayer awareness
- Limit tax increases

3

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Effective Tax Rate

- Calculated rate
- Values rise; rate decreases

Rollback Tax Rate

- Calculated maximum rate
- 8% increase

4

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Truth-In-Taxation Important Dates	
Date	Event
April 1 - May 1	Chief appraisers send notices of appraised value.
April 30	Chief appraisers prepare and certify the estimate of the taxable value of property in each taxing unit to the assessors.
July 20 (Aug. 31)	Assessor review boards approve the appraised records.
July 25	Chief appraisers certify the appraised appraisal roll to the taxing units.
Aug. 1, or as soon as practicable	Taxing units calculate and certain taxing units publish notice of effective and rollback tax rates.
August - September	<p>Taxing units adopt their budgets according to their fiscal years.</p> <p>School districts must publish a Notice of Public Meeting to Discuss Budget and Proposed Tax Rate 10 to 30 days before the public meeting date.</p> <p>School districts with a July 1 fiscal year adopt budgets in June and comply with notice and hearing provisions during June.</p> <p>Most taxing units adopt a tax rate after adopting their budgets.</p>
Sept. 1	Cities and counties provide notice of their proposed tax rates.
Before Sept. 30	<p>Water districts must adopt their tax rate by this date or 60 days after receiving the appraisal roll, whichever date is later.</p> <p>Assessors prepare and mail tax bills.</p>
October	

5

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Governing Body Actions

- Draft budget
- Calculate tax rate
- Publish notices
- Hold hearings
- Adopt tax rate
- Administer rollback election, if necessary

6

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Property Tax
Form 50-757

Small Taxing Unit Notice

The (name of taxing unit) will hold a meeting at (time)
on (date) at (location)
to consider adopting a proposed tax rate for tax year (year). The proposed tax rate is (rate) per \$100 of value.

(Include this statement if the proposed tax rate exceeds the taxing unit's effective tax rate calculated under tax Code Section 26.04.)

The proposed tax rate would increase total taxes in (name of taxing unit)
by (percentage by which the proposed tax rate exceeds the effective tax rate) %.

www.window.state.tx.us/taxinfo/taxforms/50-757.pdf

7

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Calculate and publish required rates

- Person designated by governing body
- Failure to comply

8

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Draft a budget and decide how much tax to levy

- Fund the budget
- M&O rate
- Debt service

9

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Vote by governing body to propose a tax increase

- To place proposal on agenda
 - Must specify desired rate
 - Must be recorded
- Two hearings
 - Within taxing unit boundaries
 - Weekday, not holiday
 - Public building

10

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Publish first quarter-page notice

Notice of Public Hearing on Tax Increase

- Specific language
- 7 days prior
 - Web site
 - Television, if free access

www.window.state.tx.us/taxinfo/taxforms/50-197.pdf

11

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Hold two public hearings

- Quorum present
- Public comment
- Tax rate not adopted
- Vote announced

12

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Publish second quarter-page notice

- *Notice of Tax Revenue Increase*
- Web site
- Television, if free access

www.window.state.tx.us/taxinfo/taxforms/50-198.pdf

13

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Adopt the tax rate in a public meeting

- Open meetings notice
- Agenda item
- Official action item

14

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Adopt the tax rate in a public meeting

- Two-part rate
- Deadline to adopt rate
- Failure to comply

15

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Administer a rollback election, if necessary

- If tax rate exceeds rollback rate
- Voters may petition

16

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Property Tax Assistance Division

Comptroller of Public Accounts

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Austin, Texas 78701

1-800-252-9121

ptad.cpa@cpa.state.tx.us

www.window.state.tx.us/taxinfo/proptax/

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17