

BILL ANALYSIS

Senate Research Center
76R6438 JD-F

H.B. 1520
By: Junell (Wentworth)
Finance
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Engrossed

DIGEST

Small taxing units are incurring additional costs to maintain their tax rates and budgets. Current notice and hearing requirements for an increase in the tax rate above the current effective rate call for two hearings and two quarter-page announcements in a newspaper. A simplified tax rate notice process for small taxing units was repealed beginning with tax year 1998. H.B. 1520 would establish provisions regarding the public notice of ad valorem tax rates for certain taxing units with low tax levies.

PURPOSE

As proposed, H.B. 1520 establishes provisions regarding the public notice of ad valorem tax rates for certain taxing units with low tax levies.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 26, Tax Code, by adding Section 26.052, as follows:

Sec. 26.052. SIMPLIFIED TAX RATE NOTICE FOR TAXING UNITS WITH LOW TAX LEVIES. Provides that this section applies only to a taxing unit for which the total tax rate proposed for the current tax year fulfills certain conditions. Establishes that a taxing unit to which this section applies is exempt from certain notice and publication requirements and is not subject to an injunction for failure to comply with those requirements. Authorizes a taxing unit to provide public notice of its proposed tax rate in one of two methods not later than the seventh day before the date on which the tax rate is adopted. Establishes that a taxing unit that provides public notice of a proposed tax rate under Subsection (c) is exempt from Sections 26.05(d) and 26.06 and is not subject to an injunction under Section 26.05(e) for failure to comply with Section 26.05(d). Prohibits a taxing unit that provides public notice of a proposed tax rate from adopting a tax rate that exceeds the rate set out in the notice unless the taxing unit provides additional public notice of the higher rate or complies with Sections 26.05(d) and 26.06 in adopting the higher rate. Sets forth information the public notice must specify.

SECTION 2. Emergency clause.
Effective date: upon passage.