

BILL ANALYSIS

Senate Research Center
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S.B. 567
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Finance
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As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, a newspaper notice of a public meeting to discuss a proposed budget and tax rate will reflect only the intentions of a tax rate and taxpayers may be misled into thinking their taxes will not be increased. When they receive the tax bill, it is too late. This is a "truth and advertising bill."

S.B. 567 provides accurate and useful notices to taxpayers regarding tax rates, budgets, and appraisal increases, and allows taxpayers to interact at the appropriate time with the budget process at meetings of taxing entities such as cities, counties, and school boards.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 26.06(b), Tax Code, to provide that a notice of public hearing required under this section is on a proposal to increase total tax revenues from properties on the tax roll in the preceding tax year, rather than year, by a certain percent. Sets forth specific information which must be included in the notice, creates two new subsections requiring additional information to be included in the notice. Makes conforming changes.

SECTION 2. Amends Section 44.004(c), Education Code, to require that a notice of public meeting to discuss and adopt the budget and the proposed tax rate contain a section entitled "Comparison of Proposed Budget with Last Year's Budget," which must contain specific information and a section entitled "Total Appraised Value and Total Taxable Value," which must contain specific information. Makes conforming changes.

SECTION 3. (a) Provides that the change in law made by this Act applies to the public notice required in connection with the ad valorem tax rate of a taxing unit beginning with the 2006 tax year, except as provided by Subsection (b) of this section.

(b) Makes application of the change in law made by this Act to the public notice required in connection with the ad valorem tax rate of a taxing unit, if the governing body of a taxing unit has adopted an ad valorem tax rate for the taxing unit for the 2006 tax year before the effective date of this Act, prospective to the 2007 tax year.

SECTION 4. Effective date: upon passage or September 1, 2005.