



TRUTH-IN-TAXATION

62 Annual V G Young for County Commissioners Courts

What is Truth-in-Taxation?

A process designed to better communicate how local taxing units assign tax rates to its taxpayers.



Value X Rate = Taxes

Notice from CAD

Protest Value at ARB

Other Remedies

Notice in Newspaper/Online

Participate at Public Hearing

Attend meetings

If you are not the assessor – what does TNT mean to you?

What did Senate Bill 2 do?

Who or what did it affect?

Who does what; when?

If you are not the assessor – what does TNT mean to you?

- Taxpayer may ask questions
- You are part of the process

What did Senate Bill 2 do?

- A lot to Tax Code Chapter 26
- Reduced the “speed” limit
- Made elections mandatory



Who Did SB 2 Affect?⁹

- Governing Body
- Appraisal District
- Assessor
- County Tax Assessor
- Taxpayer

What Did SB 2 Affect?¹⁰

- Taxing Unit's Levy
- Notice of Appraised Value
- Notice of Public Hearings
- What rates are called
- Public Hearings

A Quick Look at Some Changes

Old things that are **OUT**

- ~~Effective Tax Rate~~
- ~~Rollback Tax Rate~~
- ~~Effective M&O Rate~~

New things that are **IN**

- **No-New-Revenue Tax Rate**
- **Voter-approval Tax Rate**
- **No-New-Revenue M&O Rate**

A QUICK LOOK AT SOME CHANGES:¹²

Old things that are **OUT**

- ~~TWO Public Hearings~~
- ~~Notice 7 days before~~
- ~~8% Allowed Increase~~

New things that are **IN**

- **ONE** Public Hearing
- Notice 5 days before
- 3.5% Allowed Increase

A QUICK LOOK AT SOME CHANGES:¹³

Old things that are **OUT**

- ~~No Rate Adopted at Hearing~~
- ~~County and City Notice~~
- ~~1 Type of Water District~~

New things that are **IN**

- Adopt Rate at Public Hearing
- Repealed
- 3 Types of Water Districts

Water Districts

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	Low Tax Rate Districts	Developed Districts	Undeveloped Districts
Water Code	49.23601	49.23602	49.23603
Defined	M&O 2.5 or less	95% build-out complete	Not Low or Developed
M&O Increase	8%	3.5%	8%
Trigger	Voter-Approval Rate	Mandatory Election Rate	Voter-Approval Rate
Exceeds limits	Automatic Election	Automatic Election	Petition

Brand new stuff

- New Rates
- New Taxing Unit Types
- New Notices

New Rates

- De minimis tax rate
- Unused Increment rate
- County Indigent Defense Compensation Expenditures Rate
- Eligible County Hospital Expenditures Rate

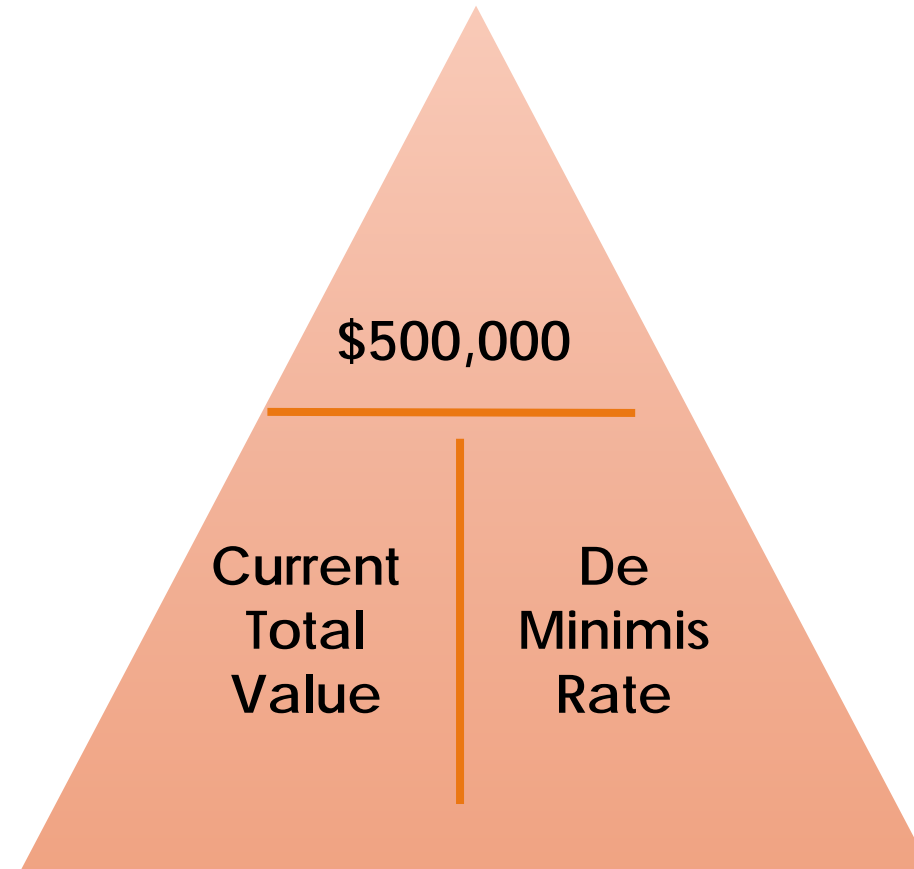
DE MINIMIS RATE (DMR)

No-Revenue-Rate M&O
Rate

+ Rate = \$500,000

+ Debt Rate

= DMR



DE MINIMIS RATE (DMR)

Who uses De Minimis Rate

- **Not** a School District
 - **Not** a Special Taxing Unit
 - **Not** City with more than 30,000
 - **Not** a Water District
- **County**
 - **Small City (> 30,000)**
 - **M&O above 2.5 cents**

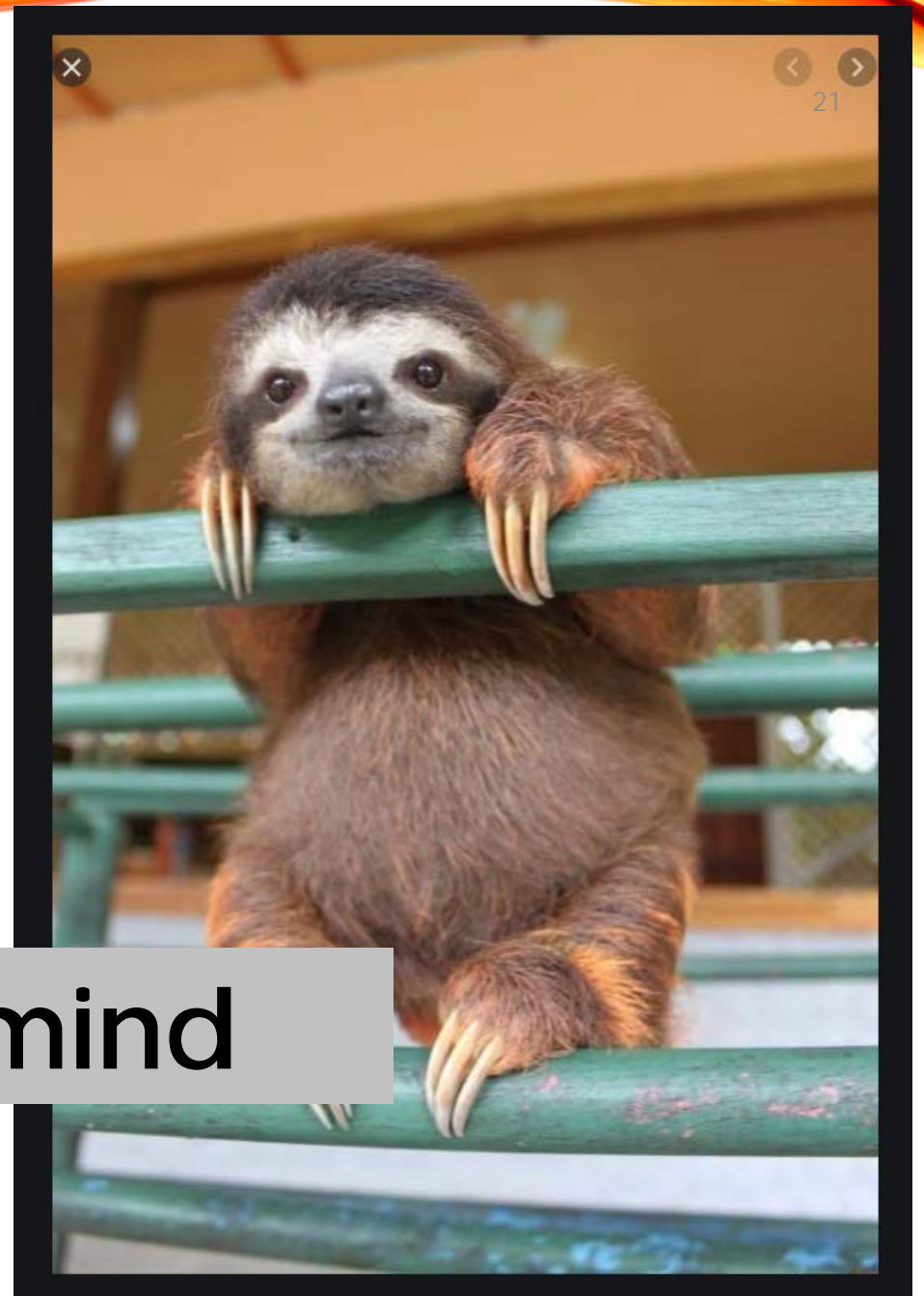
UNUSED INCREMENT RATE

- Bank, Reserve, Store, Stock Pile
- Difference between VAR and Actual Tax Rate
- Look back 3 years
- For 2020 – Unused Increment Rate = Zero

New Rates

- County Indigent Defense Compensation Expenditures Rate
- Eligible County Hospital Expenditures Rate

Cuteness Break for your mind



New Stuff

- Special Taxing Units
- Use Comptroller Prescribed Worksheets (2021)
- Certification of Worksheets (2021)
- Submission to County Tax Assessor-Collector (2021)

New Stuff

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- Appraisal District Notice of Taxes
- Appendix to Budget (2021)
- CFO or Auditor's Certification Concerning Debt
- Small Taxing Unit's Web Notice

APPENDIX TO BUDGET²⁴

Tax Code Section 26.04 (e-5)

Governing Body adds an appendix (Effective 2021)

- To Taxing Unit's budget for fiscal year
- Tax Rate Calculation forms (worksheets)

CERTIFICATION OF DEBT²⁵

Tax Code Section 26.05 (e-1) (Effective 2020)

CFO or Auditor responsibility

- Written certification
- Additional Sales Tax Amount (if any) used to pay debt
- Comptroller prescribed form

SMALL TAXING UNIT

Tax Code Section 26.052

- Small Taxing Unit Notice
- By mail or publishing 7 days before meeting
- If notice is published in newspaper

[Must also post on HOMEPAGE](#)

[On the Taxing Unit's website](#)

- Databases for Counties only (Section 26.16)
- Databases for Appraisal Districts (Section 26.17)
- Databases for ALL Taxing Units (Section 26.18)

Databases for Counties

Tax Code Section 26.16

County MUST add

Post following rates:

- Adopted Rate
- M & O Rate
- Debt Rate
- NNR and VAR Rates
- Contact information of members of G.B. of taxing unit
- Calculation Worksheets (Aug 7)
- Explanation of Rate Name Change (Expires 2026)



GOVERNMENT

DEPARTMENTS

ONLINE SERVICES

HOW DO I...?

Government

Departments

Online Services

 AGENDAS &
MINUTES

 BURN BAN STATUS

 EMPLOYMENT

 HOLIDAYS

 JURY SERVICES

 JUSTICE WEB

 TAX RATE
INFORMATION

[Home](#) > Tax Rate Information

[A](#) [A](#) [A](#)

Tax Rate Information

Truth in Taxation Summary

- [Truth in Taxation Summary \(2015-2019\)](#)

Tax Rate Calculations by Year

Brazos County

- [G1-2015](#)
- [G1-2016](#)
- [G1-2017](#)
- [G1-2018](#)
- [G1-2019](#)

Brazos County ESD1

- [F1-2015](#)
- [F1-2016](#)
- [F1-2017](#)
- [F1-2018](#)
- [F1-2019](#)

Brazos County ESD2

- [F2-2015](#)
- [F2-2016](#)
- [F2-2017](#)
- [F2-2018](#)
- [F2-2019](#)

Database for Appraisal Districts³⁰

Tax Code Section 26.17

- Property Owner's name
- Property's Address
- Property's ID number
- Market Value
- Taxable Value
- Taxing Units
- Email of Taxing Unit
- Internet Link to Taxing Unit

Assessor's role in red

- (b)(5) No-New-Revenue Tax Rate
- (b)(5) Voter-Approval Tax Rate
- (b)(7) Proposed Tax Rate
- Difference between NNR and Proposed Rate
- (b)(12)(13) Date, Time and Place
- (b)(12)(13) Public Hearing/Meeting
- (e)(2) Tax Rate Calculations Forms

Database for Appraisal Districts³¹

Assessor's role in red

- (b)(14) email address of each taxing unit – capable of receiving written comments about proposed rate

DATABASE FOR ALL TAXING UNITS

Tax Code Section 26.18

- Maintain/Have Access to Website
- Format Prescribed by Comptroller
- Name of Each Member of G.B.
- Mailing, Email and Phone #
- Official Contact Information
- Recent Financial Audit

Each Taxing Unit Must:

- Budget for Two Proceeding Years
- Proposed/Adopted Budget
- Amount Change (Dollar/Percent)
- M&O Budget/Rates
- Debt Budget/Rates

Truth-in-taxation (TNT) Dates

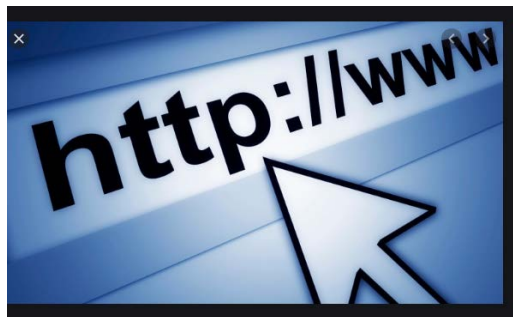
Date	Activity	Responsibility
April 30	Estimated Certified Values	Appraisal District
July 25	Certified Values	Appraisal District
Aug 1	Submit Value to Governing Body	Assessor
Aug 7	Notice of Estimated Taxes	Appraisal District
Aug 7	Submit Rates to Governing Body	Assessor
Aug 7	Post on web	County TAC
Sept 30	Deadline to Adopt Rate	Governing Body
October 1	Mail Tax Bills	Assessor

NEW DATES AND TIMES (NOTICES/MEETINGS)

Governing Body Proposes Rate

- Sets Date, Time and Place
- Public Hearing/Meeting to Adopt
- Notice 5 days in Newspaper, Internet (7 days)
- Notice 7 days on TV
- Hold Public Hearing/Meeting

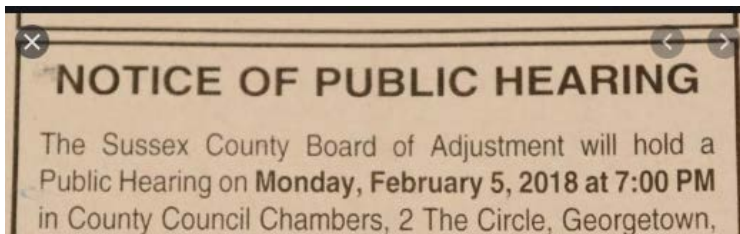
If Adopting later – no less than 7 days



At least 7 days



At least 5 days



Meeting to Adopt
No more than 7 days



Public Hearing
and/or
Meeting to Adopt



July 2020

August 2020

Su	Mo	Tu	We	Th	Fr	Sa
26	27	28	29	30	31	1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31	1	2	3	4	5

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Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
28	29	30	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	Certified Value or Estimated Certified Value			23	24	25
26				30	31	1



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August 2020

September 2020

Su	Mo	Tu	We	Th	Fr	Sa
30	31	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	1	2	3

1. Submit calculated rates to Gov. Body
2. Post Comptroller Form on Homepage
3. Complete Sec. 26.17 Database
4. CAD sends notice by mail or email

					Friday	Saturday
					31	1
					7	8
9	10	11	12	13	14	15
16	17					22
23	24	25	26	27	28	29
30	31					5

78th Day before Uniform Election Date (Elec. Code 3.005)

71st Day before Uniform Election Date

September 2020

October 2020

Su	Mo	Tu	We	Th	Fr	Sa
27	28	29	30	1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

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Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30	31	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29 	30	Deadline to adopt tax rate (except Water Districts)		

Deadline set by assessor

Deadline to adopt tax rate (except Water Districts)

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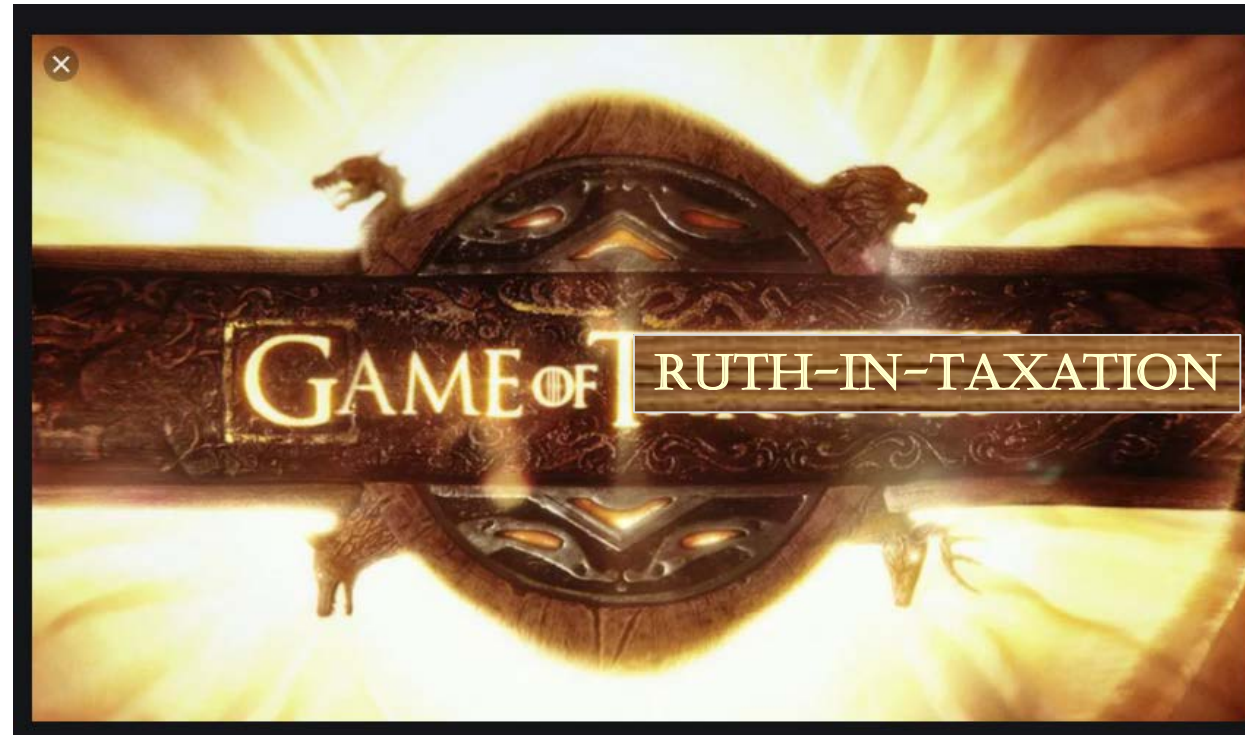
NEW DATES AND TIMES

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Deadline for injunction (Effective 2021)

- ~~Before a taxing unit delivers substantially all of its tax bills~~
- Within 15 days for tax rate adoption
- Owner is entitled to refund of the taxes paid
- Reasonable attorney's fees and court costs
- Defense for an injunction
- Failure to comply was in good faith

“Summer is coming...”



Questions?

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