

Truth-in-Taxation

July 2025

Going Further™...

Helping Texas Communities Thrive



ABOUT US



SERVICES



TAX SALES



BLOG



CONTACT

Truth-in-taxation rules are complex but doable.

Because everything's bigger in Texas. And because there are five types of taxing units and each has its own definitions and constituents, the number and types of requirements can be overwhelming. For a long time, the Texas Comptroller offered guidance to taxing units as they figured it all out. The Comptroller stopped offering that guidance and stepped in.



Get a copy of **mvba's**
Taxation Guidebook.

Download

To be updated July 2025

89th Legislative Session is over... NOT

Question:
How long does the Governor have to veto legislation?

Answer:
The Governor has **20 days** after final adjournment to consider bills received in the final ten days (not counting Sundays) of the session.

House Bills

- **HB 2 – Enrichment Rate**
- **HB 30 - Disaster**
- **HB 103 – Database showing minimum debt**
- **HB 3093 – Coastal Cities**



House Bills

2 – Enrichment Rate

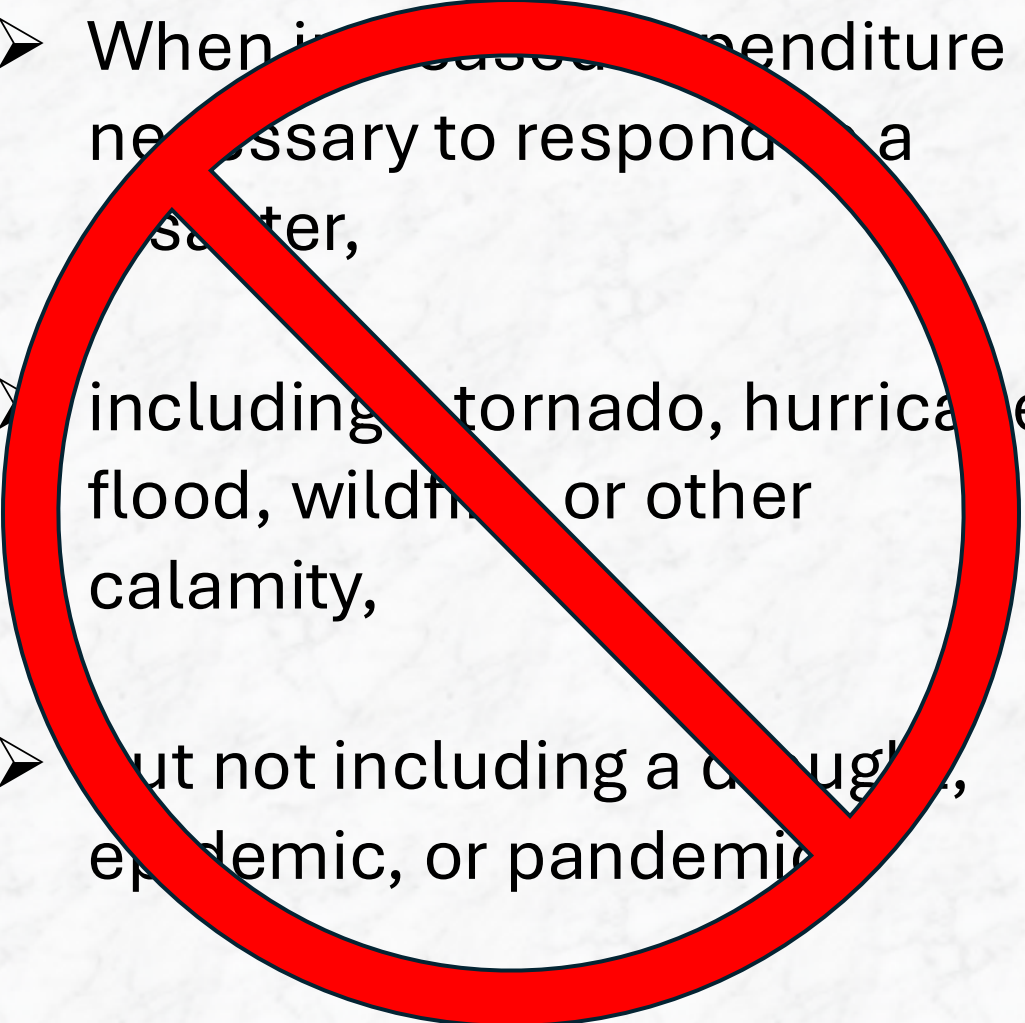
- **Unintended consequences** – modify dates relating to the adoption of the district’s M&O rate and if applicable an election
- **Repeals** reduction of Enrichment Rate for certain circumstances (**see Line 27A**)
- **Effective 9/1/2025**

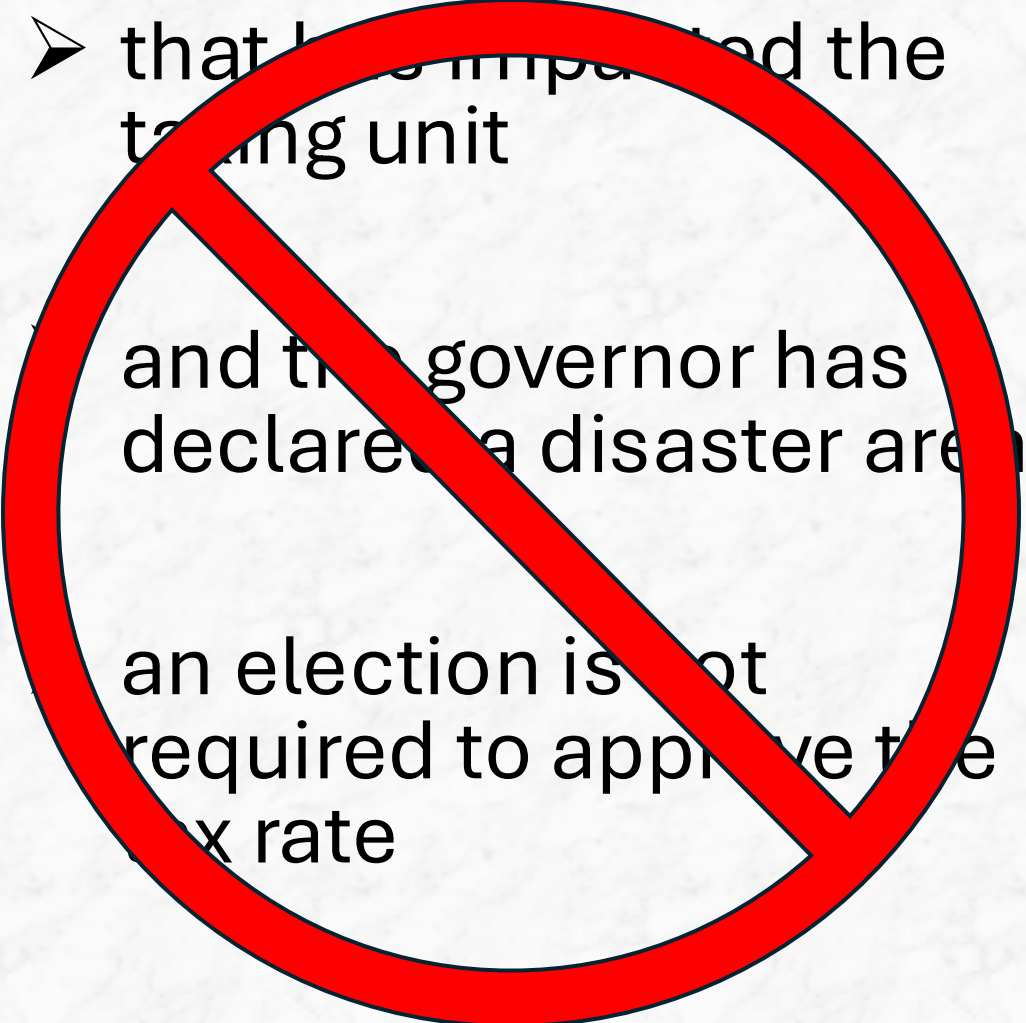
HB 30 - Eff. **1/1/2026**

- Disaster relief cost defined in detail
- **Disaster Relief Rate** defined
- Comparison of Disaster Relief Rate and Special Taxing Unit Rate
- Report to Texas Division of Emergency Management

Signed by the Governor

26.042 (d) Repealed

- 
- When in cases where expenditure is necessary to respond to a disaster, including tornado, hurricane, flood, wildfire or other calamity,
 - but not including a drought, epidemic, or pandemic

- 
- that has impacted the training unit
 - and the governor has declared a disaster area
 - an election is not required to approve the tax rate

House Bills

HB 103 – State Database showing Minimum Debt

(G) an estimate of the minimum dollar amount required to be spent annually for debt service resulting from the issuance of a bond;

Effective 9/1/2025

Database available after 1/1/2026

House Bills

HB 3093 - Comptroller addendum to forms

Definitions added

- Affected taxing unit
- Anticipated substantial litigation
- Associated business entity
- Contested taxable value
- Current year taxable value
- Uncontested taxable value

Effective Immediately

Counties with populations below 500,000 on the Gulf of Mexico

- 1. Cameron-421,017**
- 2. Brazoria – 372,031**
- 3. Nueces – 353,178**
- 4. Galveston – 350,682**
- 5. Jefferson – 256,526**
- 6. San Patricio – 68,755**
- 7. Chambers – 46,571**
- 8. Matagorda – 36,255**
- 9. Kleberg – 31,040**
- 10. Aransas – 23,830**
- 11. Willacy – 20,164**
- 12. Calhoun – 20,106**
- 13. Jackson – 14,988**
- 14. Refugio – 6,741**
- 15. Kenedy – 350**



Senate Bills

➤ **4 – School Homesteads (\$140,000)**

➤ **23 – School OA/DP (\$60,000)**

➤ **1023 – Hyperlink**

➤ **1025 – Ballot**

➤ **1062 – Digital Newspaper**

➤ **1453 – School Debt**

➤ **1502 – Failed TRE**

➤ **1522 – Budget posting**



SB 4

- TEA will calculate MCR based on exemption passing
- Chief appraiser includes a provisional appraisal roll to assessor
- DOE Calculates rates as if changes in the law are currently in effect
- 26.09 (c-1) Assessor calculates taxes both ways

Eff. Before Election 🤔

\$140,000 Homestead Ex.

SB 23

- TEA will calculate MCR based on OA/DP exemption passing
- Chief appraiser includes a provisional appraisal roll to assessor
- DOE Calculates rates as if changes in the law are currently in effect
- 26.09 (c-1) Assessor calculates taxes both ways

Eff. Before Election

\$60,000 OA and DP Ex.

SB 1998 – 88th Regular Session

Bill: SB 1998

Legislative Session: 88(R)

Last Action:

06/15/2023 E Vetoed by the Governor

Caption Version:

Enrolled

Caption Text:

Relating to the calculation of certain ad val

Author:

Bettencourt

Sponsor:

Shine

Subjects:

Taxation--Property-Assessment & Collect
Taxation--Property-Tax Rate (I0794)
COMPTROLLER OF PUBLIC ACCOUNTS (V2)

Senate Committee:

[Local Government](#)

Status:

Out of committee

Vote:

Ayes=9 Nays=0 Present Not Voting=0 Absent=0

House Committee:

[Ways & Means](#)

Status:

Out of committee

Vote:

Ay

Vetoed by the Governor June 15, 2023

Actions: (descending date order)

Viewing Votes: [Most Recent House Vote](#) | [Most Recent Senate Vote](#)

	Description	Comment	Date ▼	Time	Journal Page
E	Vetoed by the Governor		06/15/2023		3309
E	Sent to the Governor		05/29/2023		3308
H	Signed in the House		05/29/2023		6486



SB 1023 Eff. 1/1/2026

“be capable of including a hyperlink to a document that evidences the accuracy of each entry included in the form, other than an entry making a mathematical calculation”

Sec. 26.03. TREATMENT OF CAPTURED APPRAISED VALUE TAX INCREMENT

- “calculated separately for each reinvestment zone
- On forms prescribed by the Comptroller’s office

Signed by the Governor

ELECTION CODE 52.072 (e)

Concerning ballots for tax rate elections

“be printed in mixed-cased typewritten letters”

**Include the statement:
THIS IS A TAX INCREASE**

Eff. 9/1/2025

Signed by the Governor

Senate Bills

- **SB 1062 Newspaper**
- May publish notice in lieu of regular newspaper
- Digital Newspaper with certain requirements

Eff. Immediately



SB 1453 Eff. 1/1/2026

Tax Code

Definition

Current debt service...

Minimum dollar amount

Debt tax rate

Adoption of higher than

Minimum debt rate

60% in favor

Must re-calculate VAR

SB 1502

26.042 disaster for schools

Added (e-1)

- (e-1)...a school district **may not** adopt a tax rate under **Subsection (e)**...
 - (1) the (district) previously adopted a tax rate that exceeds the VAR;
 - (2) an election was held under **Section 26.08**;
 - and
 - (3) the proposition ... **was not approved** by the voters

Signed by the Governor

Eff. 1/01/2026

- **HB 1522 Eff. 9/1/2025**

- **Budget Posting** requirements
- 72-hour notice replaced with 3 business days
- Compare median valued homestead taxes
- PROPOSED tax rate and NO-NEW-REVENUE tax rate



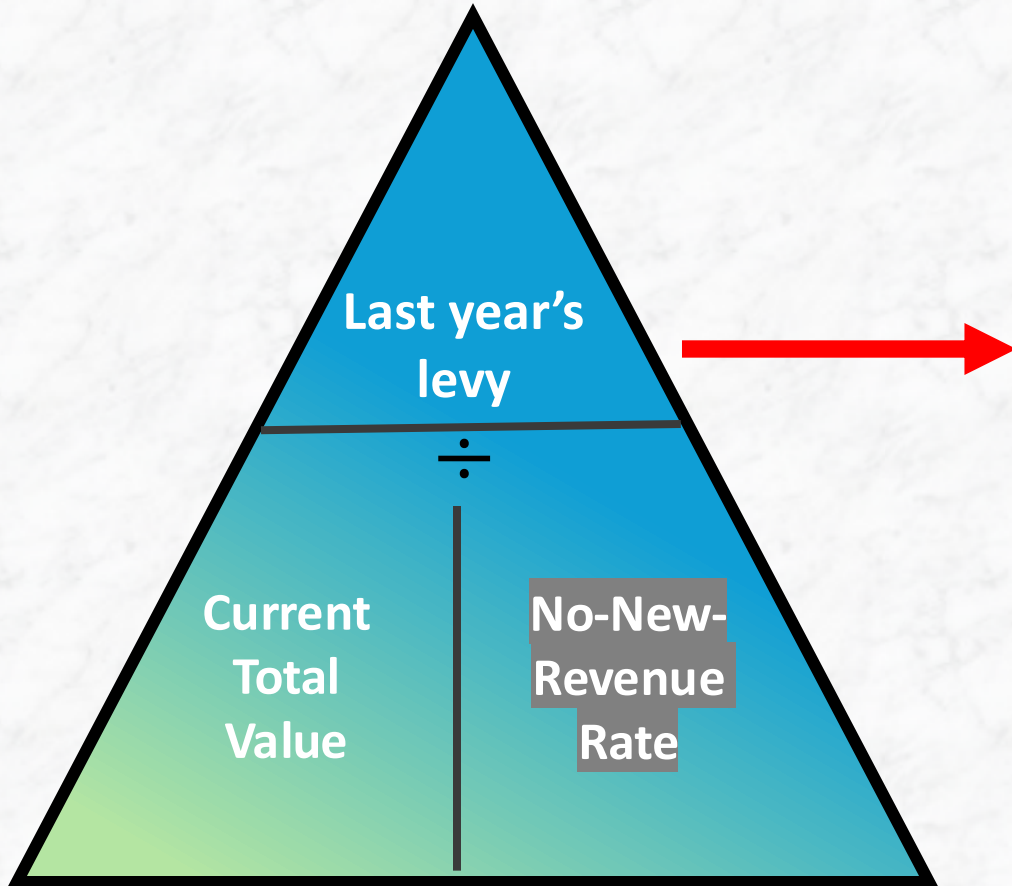
Tax Rate Terms

List of All Tax Rates



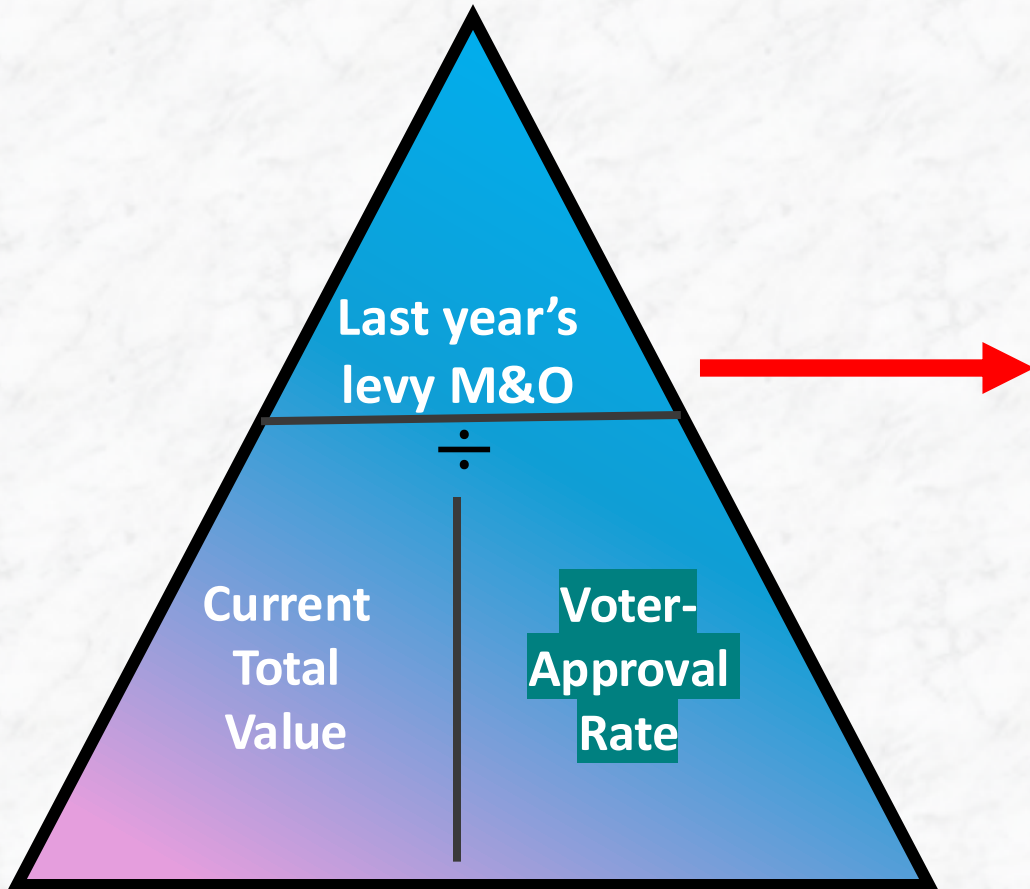
TAX RATES

NO-NEW-REVENUE RATE



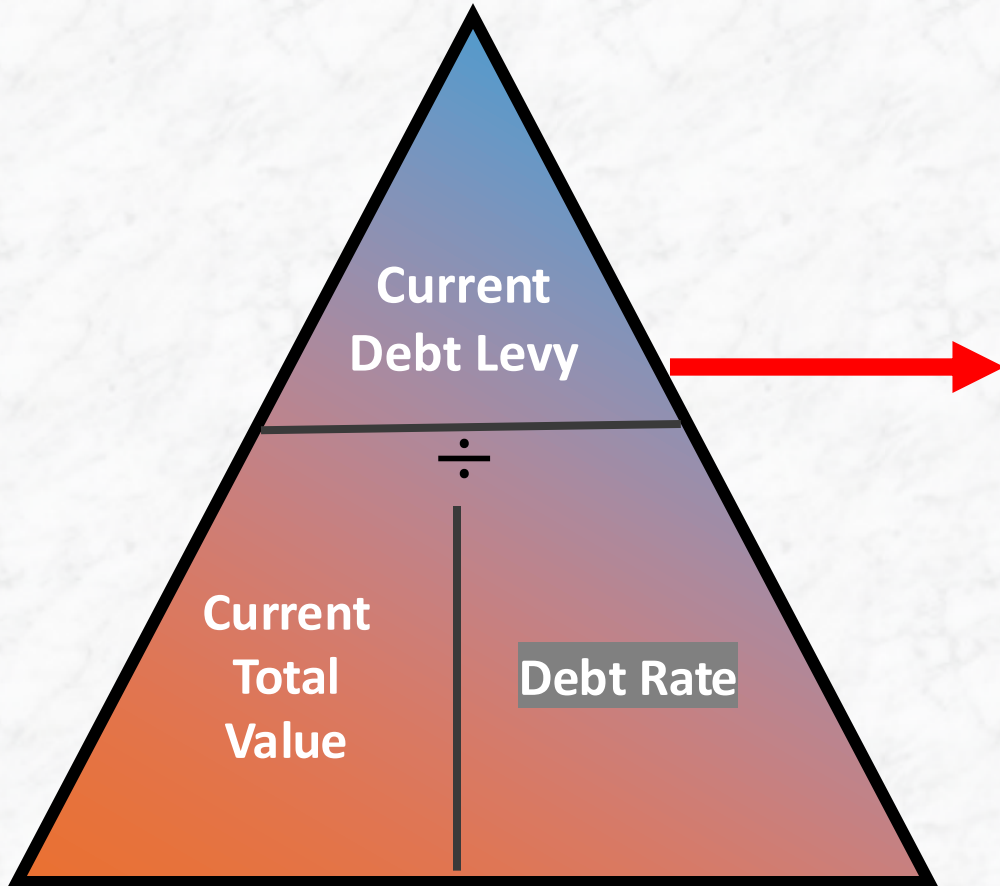
- Last Year's Levy (with adj)
- ÷ Current total value (with adj)
- = No-New-Revenue Rate

VOTER-APPROVAL RATE



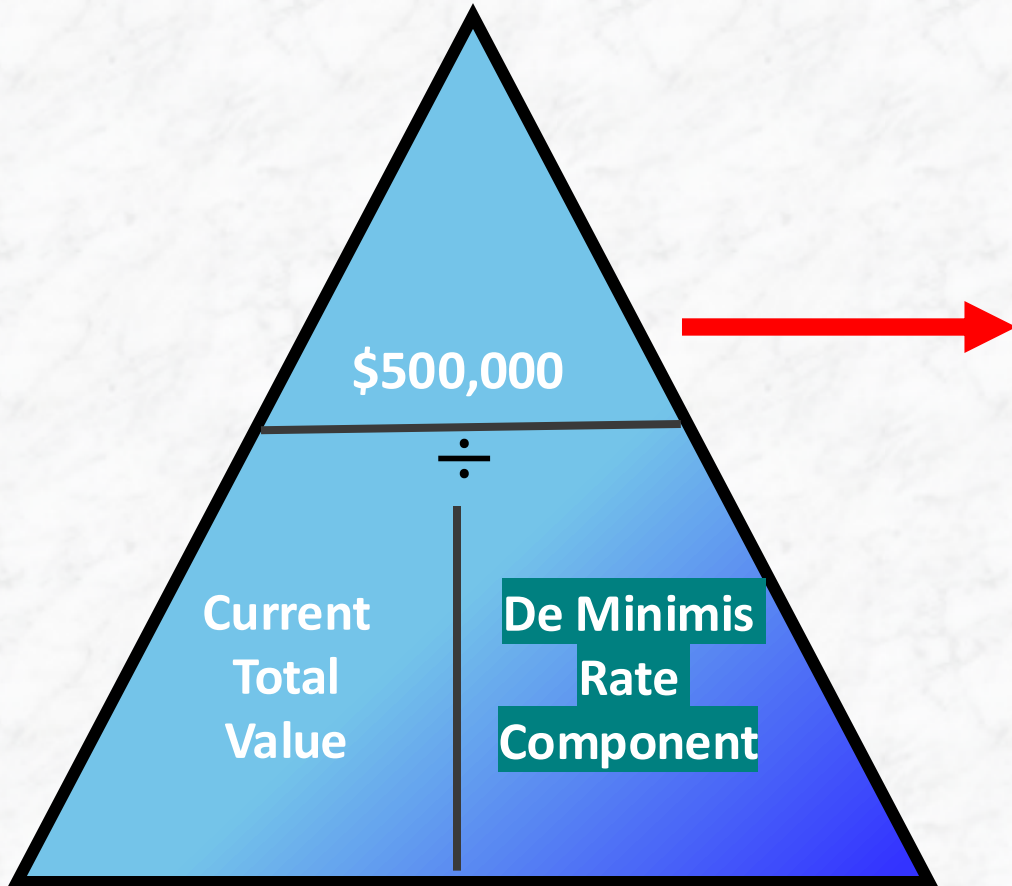
- Last Year's M&O Levy (with adj)
- + Allowable Increase
- ÷ Current total value (with adj)
- + Debt Rate
- = Voter-Approval Rate

DEBT RATE



- Current Debt Levy (with adj)
- ÷ Current total value
- = Debt Rate

DE MINIMIS RATE



- No-New-Revenue-Rate M&O Rate
- + Rate component = \$500,000 levy
- + Debt Rate
- = De Minimis Rate

More Rates:

- No-New-Revenue M & O Rate
- Pollution Control Rate
- Unused Increment Rate
- Sales Tax Adjustment Rate
- Emergency Revenue Rate

More Rates:

- Disaster Rate
- Proposed Tax Rate
- Adopted Rate
- Current Year Voter-Approval M&O Rate
- Anticipated Collection Rate

The WORKSHEETS

▼ [Truth-in-Taxation Forms for Tax Rate Adoption](#)

Tax Rate Calculation Worksheets

- Taxing units other than school districts or water districts
 - [50-856, 2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts \(PDF\)](#)
 - [50-856-A, Supplemental Tax Rate Calculation Worksheet - Voter-Approval Tax Rate for Taxing Units in a Disaster Area Other Than School Districts or Water Districts \(PDF\)](#)

The WORKSHEETS

▼ [Truth-in-Taxation Forms for Tax Rate Adoption](#)

Tax Rate Calculation Worksheets

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Be sure to clear browser to get latest version

The WORKSHEETS

Calculating the:

No-new-revenue Rate (NNR)

Debt Rate

Voter-Approval Rate (VAR)

2025 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

Form 50-856

Taxing Unit Name

Phone (area code and number)

Taxing Unit's Address, City, State, ZIP Code

Taxing Unit's Website Address

Line	No-New-Revenue Tax Rate Worksheet
	ent of the prior year taxable value on the prior year tax roll today. Include any adjustments since last 25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any ter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes,
2.	Prior year tax ceilings. Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step. ²
3.	Preliminary prior year adjusted taxable value. Subtract Line 2 from Line 1.

Line 2 is last year's ceilings and
Line 20 is this year's ceilings

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CAD

MATH

4. Prior year total adopted tax rate.

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5. Prior year taxable value lost because court appeals of ARB decisions reduced the prior year’s appraised value.

A. Original prior year ARB values:.....

B. Prior year values resulting from final court decisions:.....

Line 1 was reduced by the same value in Line 6A

CAD

6. Prior year taxable value subject to an appeal under Chapter 42, as of July 25.

A. Prior year ARB certified value:

B. Prior year disputed value:.....

C. Prior year undisputed value. Subtract B from A. ⁴

CAD

7. Prior year Chapter 42 related adjusted values. Add Line 5C and Line 6C.

MATH

8. Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.

MATH

9.	Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2024. Enter the prior year value of property in deannexed territory. ⁵
10.	Prior year taxable value lost because property first qualified for an exemption in the current year. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use prior year market value: \$ <input type="text"/> B. Partial exemptions. Current year exemption amount or current year percentage exemption times prior year value: + \$ <input type="text"/> C. Value loss. Add A and B. ⁶
11.	Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year. Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. A. Prior year market value: \$ <input type="text"/> B. Current year productivity or special appraised value: - \$ <input type="text"/> <div>Line 12 represents “LOST PROPERTY LEVY”</div>
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.

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Must take deposited TIF amount and convert to value
If TIF zone is declining or static for current year, put zero

13.	Prior year captured value of property in a TIF. Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.
14.	Prior year total value. Subtract Line 12 and Line 13 from Line 8.
15.	Adjusted prior year total levy. Multiply Line 4 by Line 14 and divide by \$100.

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Line 15 converts value adjustments into levy

Line 16 is total refunds for tax year 2023 and prior
Line 31A is M&O portion of those refunds in Line 16

16.	Taxes refunded for years preceding the prior tax year. Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. ⁹
17.	Adjusted prior year levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰

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18. Total current year taxable value on the current year certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. ¹¹

- A. Certified values:** \$
- B. Counties:** Include railroad rolling stock values certified by the Comptroller's office: + \$
- C. Pollution control and energy storage system exemption:** Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property:..... - \$
- D. Tax increment financing:** Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. ¹² - \$
- E. Total current year value.** Add A and B, then subtract C and D.

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Line 13 is zero if Line 18D is zero

19. Total value of properties under protest or not included on certified appraisal roll. ¹³

A. Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹⁴ \$

B. Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, preceding year and a reasonable estimate of the market value, current year. Use the lower market, appraised or taxable value of property not on the certified roll. ¹⁵ + \$

C. Add A and B.

Line 2 is last year's ceilings
and
Line 20 is this year's ceilings

20. Current year tax ceilings. Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step. ¹⁶

21. Current year total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷

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22.	Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year. Include both real and personal property. Enter the current year value of property in territory annexed. ¹⁸
23.	Total current year taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for the current year. ¹⁹
24.	Total adjustments to the current year taxable value. Add Lines 22 and 23.

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Line 24 represents all new properties
This value is used when creating a debt rate
This value is NOT used when creating the NNR

25.	Adjusted current year taxable value. Subtract Line 24 from Line 21.
26.	Current year NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰
	each type of tax the county levies. The total is the current year county NNR tax rate. ²¹

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Line 17 is Levy
Line 25 is Value
Line 26 is $\text{Levy} \div \text{Value} = \text{Rate}$

No-new-revenue Rate

- **Creates approximately the same revenue as last year on properties taxed in both years.**
- Used for motion making purposes 26.05 (b)

The WORKSHEETS

Calculating the:

NNR M&O Rate

Debt Rate

Voter-Approval Rate (VAR)*

The WORKSHEETS

Calculating the:

Voter-Approval Rate (VAR)*

With Adjustments:

- *Sales Tax Rate Adjustment*
- *Unused Increment Rate*
- *Pollution Control Rate*
- *Emergency Revenue Rate*

Components of the voter-approval rate*

NNR M&O Rate

+ 3.5% increase

+ Debt Rate

+ Unused Increment Rate

Voter-Approval Rate

NNR M&O Rate (Lines **28-40**)

Allowable Increase (Line **41**)

Debt (Lines **42-48**)

Unused Inc Rate (Lines **63-67**)

Voter-Approval Rate (Line **68**)

****NOT FOR SPECIAL TAXING UNITS***

Components of the voter-approval rate*

NNR M&O Rate

+ 8% increase

+ Debt Rate

Voter-Approval Rate

NNR M&O Rate (Lines **28-40**)

Allowable Increase(Line **41**)

Debt (Lines **42-48**)

Voter-Approval Rate (Line **49**)

**FOR SPECIAL TAXING UNITS*

28.	Prior year M&O tax rate. Enter the prior year M&O tax rate.
29.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .
30.	Total prior year M&O levy. Multiply Line 28 by Line 29 and divide by \$100.
31.	Adjusted prior year levy for calculating NNR M&O rate. <div><div>A. M&O taxes refunded for years preceding the prior tax year. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2024. This line applies only to tax years preceding the prior tax year..... + \$ <input type="text"/></div><div>B. Prior year taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0..... - \$ <input type="text"/></div><div>C. Prior year transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- \$ <input type="text"/></div><div>D. Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function..... \$ <input type="text"/></div><div>E. Add Line 30 to 31D.</div></div>

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MATH

28.	Prior year M&O tax rate. Enter the prior year M&O tax rate.
29.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .
30.	Total prior year M&O levy. Multiply Line 28 by Line 29 and divide by \$100.
31.	Adjusted prior year levy for calculating NNR M&O rate. <div><div>A. M&O taxes refunded for years preceding the prior tax year. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2024. This line applies only to tax years preceding the prior tax year..... + \$ <input type="text"/></div><div>Line 16 is total refunds for tax year 2023 and prior Line 31A is M&O portion of those refunds in Line 16</div><div>C. Prior year transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. - \$ <input type="text"/></div><div>Line 31D can be a negative number if TIFs are higher than refunds</div><div>D. Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function..... \$ <input type="text"/></div><div>E. Add Line 30 to 31D.</div></div>

GB

WRKS

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MATH

MATH

NNR M&O rate before applicable adjustments

32.	Adjusted current year taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .
33.	Current year NNR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100.

WRKS

MATH

NNR M&O Rate adjustments

“IF” either increased or exceeds previous year

- ❖ 26.044 Criminal Justice Mandate
- ❖ 26.0441 Indigent Health Care
- ❖ 26.0442 Indigent Defense Compensation Expenditures
- ❖ 26.0443 Eligible County Hospital Expenditures

(You should not get a negative number, if you do - the expense has not increased)

34. Rate adjustment for state criminal justice mandate.²³

- A. Current year state criminal justice mandate.** Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$
- B. Prior year state criminal justice mandate.** Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies..... - \$
- C.** Subtract B from A and divide by Line 32 and multiply by \$100..... \$ /\$100
- D.** Enter the rate calculated in C. If not applicable, enter 0.

IF...

Line 34
from
Sheriff to
County
Auditor

35. Rate adjustment for indigent health care expenditures.²⁴

- A. Current year indigent health care expenditures.** Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose..... \$
- B. Prior year indigent health care expenditures.** Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state assistance received for the same purpose..... - \$
- C.** Subtract B from A and divide by Line 32 and multiply by \$100..... \$ /\$100
- D.** Enter the rate calculated in C. If not applicable, enter 0.

IF...

Line 35
from IHC
manager

36. Rate adjustment for county indigent defense compensation.²⁵

- A. Current year indigent defense compensation expenditures.** Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state grants received by the county for the same purpose..... \$ _____
- B. Prior year indigent defense compensation expenditures.** Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state grants received by the county for the same purpose..... \$ _____
- C.** Subtract B from A and divide by Line 32 and multiply by \$100..... \$ _____ /\$100
- D.** Multiply B by 0.05 and divide by Line 32 and multiply by \$100..... \$ _____ /\$100
- E.** Enter the lesser of C and D. If not applicable, enter 0.

IF...

Line 36
from
County
Auditor

37. Rate adjustment for county hospital expenditures.²⁶

- A. Current year eligible county hospital expenditures.** Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year..... \$ _____
- B. Prior year eligible county hospital expenditures.** Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2023 and ending on June 30, 2024. \$ _____
- C.** Subtract B from A and divide by Line 32 and multiply by \$100..... \$ _____ /\$100
- D.** Multiply B by 0.08 and divide by Line 32 and multiply by \$100..... \$ _____ /\$100
- E.** Enter the lesser of C and D, if applicable. If not applicable, enter 0.

IF...

Line from
County
Auditor
or City
CFO

38. Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information.

- A. Amount appropriated for public safety in the prior year.** Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year \$ _____
- B. Expenditures for public safety in the prior year.** Enter the amount of money actually spent by the municipality for public safety during the preceding fiscal year \$ _____
- C.** Subtract B from A Multiply by \$100 \$ _____ /\$100
- D.** Enter the rate calculated in C. If not applicable, enter 0.

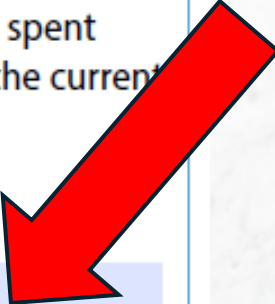
Cities that defunded police budgets

39. Adjusted current year NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.

Line 39 is the NNR M&O rate before allowable increase

Important Note

**All Taxing Units must enter something in Line 40
– not just those with additional sales tax**

40. **Adjustment for prior year sales tax specifically to reduce property taxes.** Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero.
- A. Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent \$
- B. Divide Line 40A by Line 32 and multiply by \$100 \$ /\$100
- C. Add Line 40B to Line 39.
- 

Additional Information:

Line 40A is the amount **SPENT** for M&O for the previous year

Line 52 (b)* is the amount of the previous four quarters (which quarters?)

*There is no (b) – it is just the second option

More Additional Information:

IF you have a sales tax amount in Line 40A, the taxing unit

MUST use the Voter-Approval Rate adjusted for Sales Tax **Line 58.**

Important Note

40. **Adjustment for prior year sales tax specifically to reduce property taxes.** Cities, counties and other taxing units that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These units should enter the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero.

A. Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was used for economic development purposes from the amount of sales tax spent \$

B. Divide Line 40A by Line 32 and multiply by \$100 \$ /\$100

C. Add Line 40B to Line 39.

Taxing units without sales tax adjustment will bring down Line 39

41. **Current year voter-approval M&O rate.** Enter the rate as calculated by the appropriate scenario below.

Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08.

- or -

Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.

Line 39 and Line 40C should be the same if **NO SALES TAX ADJUSTMENT** made

41. Current year voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below.

Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08.

- or -

Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.

Additional Information:

This is the current voter-approval **M&O** rate does not include:

1. Any debt rate that may be applicable
2. A sales tax adjustment rate if applicable
3. A additional pollution control rate if applicable
4. Any unused increment rate that is applicable



Debt Service & Debt Rate

Debt Tax Rate and the Tax Code

- Tax Code 26.012 (7) and (8) – defines debt
- Tax Code 26.04 (e)(3)(c) – Comptroller form 50-212
- Tax Code 26.05 (a) – adopt separate components
- Tax Code 26.05 (f) – used for debt payments

"Debt" means:

A bond, warrant, certificate of obligation, or other evidence of indebtedness owed by a taxing unit that:

- 1. payable from property taxes**
- 2. in installments over a period of more than one year,**
- 3. not budgeted for payment from M&O FUNDS,**
- and**
- 4. secured by a pledge of property taxes;**

58

AND...

(ii) meets **one** of the following requirements:

(a) has been approved at an election;

(b) includes self-supporting debt;

Self-supporting debt ensures that the revenue generated by a project directly supports the repayment of the bond debt. It's like building a bridge and using the tolls collected from that bridge to pay back the bondholders

(c) evidences a loan under a state or federal financial assistance program;

(d) is issued for designated infrastructure;

(e) is a refunding bond;

(f) is issued in response to an emergency under Section [1431.015](#), Government Code; [Notes of obligation for emergency financing](#)

(g) is issued for renovating, improving, or equipping existing buildings or facilities;

(h) is issued for vehicles or equipment; or

(i) is issued for a project under Chapter [311](#), Tax Code, or Chapter [222](#), Transportation Code, that is located in a reinvestment zone created under one of those chapters; [Bonds secured by State Highway Fund](#)

or

(j) a payment made under contract to secure indebtedness of a similar nature issued by another political subdivision on behalf of the taxing unit.

This means a taxing unit could...

- Have a debt that meets the original requirements prior to enactment of the new law

- And have a debt that must meet the new requirements if the debt is on or after Sept. 1, 2021

Notice About _____ Tax Rates

(current year)

Property Tax Rates in _____
(taxing unit's name)

This notice concerns the _____ property tax rates for _____.
(current year) (taxing unit's name)

This notice provides information about two tax rates used in adopting the current tax year's tax rate. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. In most cases, the voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per \$100 of property value.

Taxing units preferring to list the rates can expand this section to include an explanation of how these tax rates were calculated.

This year's no-new-revenue tax rate \$ _____ /\$100

This year's voter-approval tax rate \$ _____ /\$100


To see the full calculations, please visit _____ for a copy of the Tax Rate Calculation Worksheet.
(website address)

Current Year Debt Service

The following amounts are for long-term debts that are secured by property taxes. These amounts will be paid from upcoming property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid From Property Taxes	Interest to be Paid From Property Taxes	Other Amounts to be Paid	Total Payment
	\$	\$	\$	\$

(expand as needed)



Total required for _____ debt service.....	\$ _____
(current year)	
– Amount (if any) paid from funds listed in unencumbered funds	\$ _____
– Amount (if any) paid from other resources	\$ _____
– Excess collections last year	\$ _____
= Total to be paid from taxes in _____	\$ _____
(current year)	
+ Amount added in anticipation that the taxing unit will collect	
only _____ % of its taxes in _____	\$ _____
(collection rate) (current year)	
= Total Debt Levy	\$ _____

This could include reduction
from Sales and Use Tax

This information matches the worksheet calculations to **Line 46**

Debt Tax Rate calculations

Lines 42 through 48

Line 48 is calculated Debt Rate

Debt Rate adoption per the Tax Code

Tax Code Section 26.05 (a)

(a) The governing body of each taxing unit shall adopt a tax rate for the current tax year and shall notify the assessor for the taxing unit of the rate adopted...

The tax rate **consists of two components**, each of which must be approved separately. The components are:

...for a taxing unit ..., the rate that, if applied to the total taxable value, will impose the total amount described by Section 26.04(e)(3)(C), (calculated debt rate)

42. Total current year debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that:

- (1) are paid by property taxes;
- (2) are secured by property taxes;
- (3) are scheduled for payment over a period longer than one year; and
- (4) are not classified in the taxing unit's budget as M&O expenses.

A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. ²⁸

Enter debt amount \$

B. Subtract unencumbered fund amount used to reduce total debt. - \$

C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none) - \$

D. Subtract amount paid from other resources - \$

E. Adjusted debt. Subtract B, C and D from A.

Certification of Additional Sales and Use Tax to Pay Debt Services

THE STATE OF TEXAS,

County of _____

Chief Financial Officer or Auditor: _____

For the taxing unit: _____

Hereby certifies that the amount of additional sales and use tax paid by the taxing unit for the period described by Tax Code Section 26.05(e-1), 26.04(e)(3)(C) and _____ is the amount described.

This certification is submitted to the _____.

Signature of Financial Officer or Auditor

There is no \$ \$ \$ \$ amount to certify and match to the form

This form is submitted to Governing Body

Ask for a copy

Debt Levies

TAX CODE SECTION 26.05 (f)

Except as required by the law under which an obligation was created, the governing body may not apply any tax revenues generated by the rate described in Subsection (a)(1) of this section for any purpose other than the retirement of debt.

43.	Certified prior year excess debt collections. Enter the amount certified by the collector. ²⁹	
44.	Adjusted current year debt. Subtract Line 43 from Line 42E.	
45.	Current year anticipated collection rate.	
	A. Enter the current year anticipated collection rate certified by the collector. ³⁰	<input type="text"/> %
	B. Enter the prior year actual collection rate.....	<input type="text"/> %
	C. Enter the 2023 actual collection rate.	<input type="text"/> %
	D. Enter the 2022 actual collection rate.	<input type="text"/> %
	E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. ³¹	
46.	Current year debt adjusted for collections. Divide Line 44 by Line 45E.	

Excess Debt Collections

(10) "Excess collections" means the amount, if any, by which debt taxes collected in the preceding year exceeded the amount anticipated in the preceding year's calculation of the voter-approval tax rate, as certified by the collector under Section 26.04(b).

Excess Debt Collections

43.	Certified 2024 excess debt collections. Enter the amount certified by the collector. ²⁹
-----	---

Debt for the previous year was

\$475,000

Anticipated Collection rate was

÷ **95%**

Debt Levy increased to

\$500,000

Amount collected

\$485,000 (97%)

Amount of **Excess for this year**

\$ 10,000

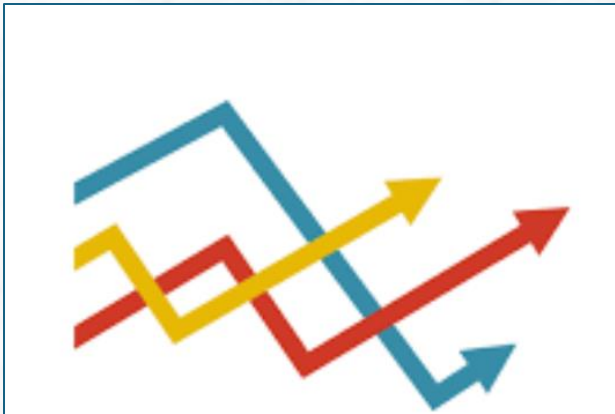
Anticipated v Actual

Anticipated Collection Rate

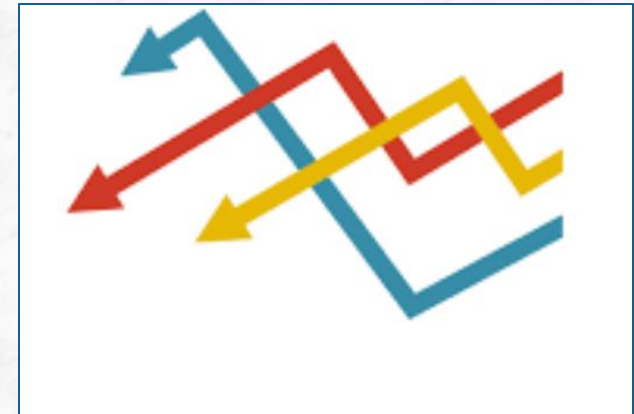
- Estimated by Collector
- Current Taxes + Delinquent Taxes + Penalties + Interest, etc.

Actual Collection Rate

- Can be more than 100%
- Look back three years of actual collections



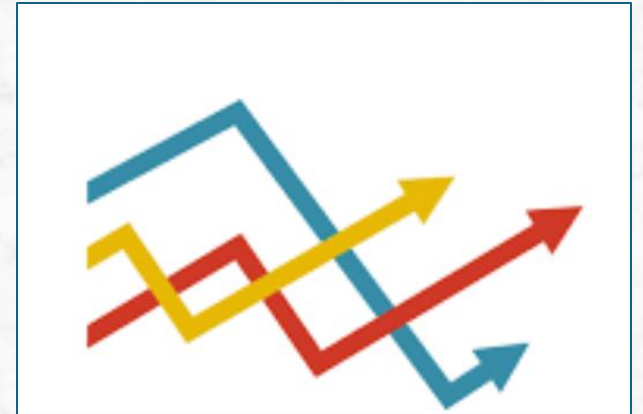
McCreary, Veselka, Bragg & Allen, P.C.



Anticipated v Actual

Anticipated Collection Rate

Actual Collection Rate (one rate)



Total Debt and M & O Collections

These funds are NOT collected Separately!!!

Anticipated vs Actual

- Anticipated 2022 = 99%
- Anticipated 2023 = 100%
- Anticipated 2024 = 101%
- Actual 2022 = 100%
- Actual 2023 = 101%
- Actual 2024 = 101.5%

The collector can certify **any number** so long as it is not lower than the lowest actual collection rate

Debt with a collection rate that exceeds 100%

- Line 42 is adjusted debt \$790,000
- Line 43 is anticipated collection rate (103%) $\div \underline{\quad 1.03}$
- Line 44 is debt adjusted for collection rate \$766,900
- This number creates a LOWER Debt rate

****Unless you collect at LEAST 103% for debt
you will NOT reach \$790,000***

46.	Current year debt adjusted for collections. Divide Line 44 by Line 45E.
47.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .
48.	Current year debt rate. Divide Line 46 by Line 47 and multiply by \$100.
49.	Current year voter-approval tax rate. Add Line 48 and 47.
D49.	Disaster Line 49 (D49): Current year voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.

****No unused increment rate added
No sales tax adjustment
Not a True Voter-approval rate for all taxing units***

Line 50 - Counties only

Does NOT include Unused Increment Rate Component
Does NOT include any Sales Tax Adjustment

This would be a **COUNTY Voter-Approval Rate **ONLY IF** the county was using the disaster provision and calculated its rate as a special taxing unit with no sales tax adjustment*

Line	Voter-Approval Tax Rate Worksheet
50.	COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate.



Taxes

SALES AND USE TAX

Sales and Use Tax for **Counties, Cities and Hospital Districts**

Sales Tax Gain Rate – For **Property Tax Relief**

Sales Tax voted in Nov. **2024** or May **2025** has extra steps

Line 51 – **Comptroller's office** – Estimate of items that have sales tax

Line		Additional Sales and Use Tax Worksheet
51.	Taxable Sales.	For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. ³² Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.

Line	November of 2024 or May of 2025
51.	<p>Taxable Sales. For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. ³² Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage.</p> <p>Taxing units that adopted the sales tax before November of the prior year, enter 0.</p>
52.	<p>Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ³³</p> <p>Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year. Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ³⁴</p> <p>- or -</p> <p>Taxing units that adopted the sales tax before November of the prior year. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.</p>
53.	<p>Current year total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>.</p>
54.	<p>Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.</p>

FIRST YEAR ONLY

FIRST YEAR ONLY

Sales and Use Tax for Counties, Cities and Hospital Districts

**Election held in
November of 2024 or May of
2025**

Line 51 and 52 (a)– Comptroller's office – Estimate of items that have sales tax

Example:

Applicable Sales in the district/city/area	\$950,000,000
Percentage approved by voters	X .005
Estimate of sales tax	\$ 4,750,000
Conservative	X.95
Conservative estimate of sales tax	\$ 4,512,500

Line 52 – Top portion is **First Year** only

Line 52 – Bottom portion is for every year after
No guidance on which previous four quarters

Line 53 – Value from Worksheet

Line 54 – **MATH** Sales Tax Gain Rate – used to determine Property Tax Relief

Line 55 – NNR from worksheet

Line 56 – Adjust NNR for first-year only – subtract sales tax gain rate

55.	Current year NNR tax rate, unadjusted for sales tax. ³⁵ Enter the rate from Line 26 of the <i>Revenue Tax Rate Worksheet</i> .	FIRST YEAR ONLY
56.	Current year NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November the prior tax year or later. Enter the rate from Line 26 of the <i>Revenue Tax Rate Worksheet</i> . Skip to Line 57 if you adopted the additional sales tax before November of the prior tax year.	FIRST YEAR ONLY

Line 57 – NNR from worksheet

57.	Current year voter-approval tax rate, unadjusted for sales tax. ³⁶ Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .
-----	--

Line 58 – Voter-approval rate* adjusted for sales tax

58.	Current year voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.
-----	--

**No unused increment rate added yet*

If you have an amount in either 40A, 42C or 52 you will have to adjust the Voter-Approval Rate for Sales Tax every year



Get Help

Hours and Locations for Walk-in Taxpayer Service

Calling Tips and Peak Hours

Call early and have your 11-digit taxpayer number ready.

Tax Help

Franchise Tax

Sales and Use Tax

Property Tax

Other Taxes

Frequently Asked Questions

Taxpayer Seminars

Tax Training Resources

Other Help

Texas College Savings Plans

State Purchasing

Contact Us

Agency Directory


Compact With Texans

Páginas en Español

Unclaimed Property Holder



Local Sales and Use Tax Rates

- Use the **Sales Tax Rate Locator** to search for sales tax rates by address.
 - City Rates with local codes and total tax rates
 - County Rates with local codes and effective date
 - Transit Rates with local codes and effective dates
 - Special Purpose Districts (SPD) Rates with local codes and effective dates
 - Combined Area Rates with local codes and effective dates
 - Quarterly Updates to Rates and City Annexed Areas
 - Local Sales Tax Rate History
- 

Eff Date	End Date	Rate	
01/01/1990		0.0200000	
Economic/Industrial Dev Sec 4A			0.0050000
Property Tax Relief	★		★ 0.0050000
Regular Rate			
			0.0100000
04/01/1968	12/31/1989	0.0100000	
Regular Rate			
			0.0100000

Economic/Industrial Dev Sec 4A
 Economic/Industrial Dev Sec 4B
 Street Maintenance
 Sport & Comm Venue Loc Gov 334
 Municipal Development

Look for
PROPERTY TAX RELIEF

Additional Resources

▶ Industry-Specific Sales and Use Tax

▶ Sales and Use Tax Data Searches

▼ Local Sales and Use Tax Allocation

- [Allocation Payment Distribution Schedule](#) and Message of the Month
- [Allocation Payment Detail](#) by local jurisdiction
- [Allocation Payment Historical Summary](#) by local jurisdiction
- [Allocation Comparison Summary](#) Reports
- [Other Reports Available to Local Jurisdictions](#)
- [Marketplace Providers Local Sales Tax Allocation Report](#)
- [Statewide Local Allocation Payment Detail](#)

▶ Sales and Use Tax Statistical Data

- [Remote Sellers](#)
- [Marketplace Providers and Marketplace Sellers](#)
- [Use Tax](#)



Example of Sales and Use Tax History

2024	
January	4,870,345.99
February	1,508,682.52
March	8,844,216.10
April	4,404,173.74
May	5,570,535.46
June	4,545,984.37
July	4,714,670.45
August	5,380,789.38
September	4,900,901.61
October	4,659,862.63
November	5,395,940.56
December	5,013,872.19
TOTAL	59,809,975.00

.01

+.005

+.005

.02 ÷ .005 = 4

Or 1/4 of the total

**1/4 of \$59,809,975 =
\$14,952,493**

2024	
January	4,870,345.99
February	1,508,682.52
March	8,844,216.10
April	4,404,173.74
May	5,570,535.46
June	4,545,984.37
July	4,714,670.45
August	5,380,789.38
September	4,900,901.61
October	4,659,862.63
November	5,395,940.56
December	5,013,872.19
TOTAL	59,809,975.00

2025	
January	4,803,631.86
February	8,563,854.45
March	4,762,946.67
April	4,751,397.42
May	7,652,614.85
June	5,448,076.33
July	.
August	.
September	.
October	.
November	.
December	.
TOTAL	35,982,521.58

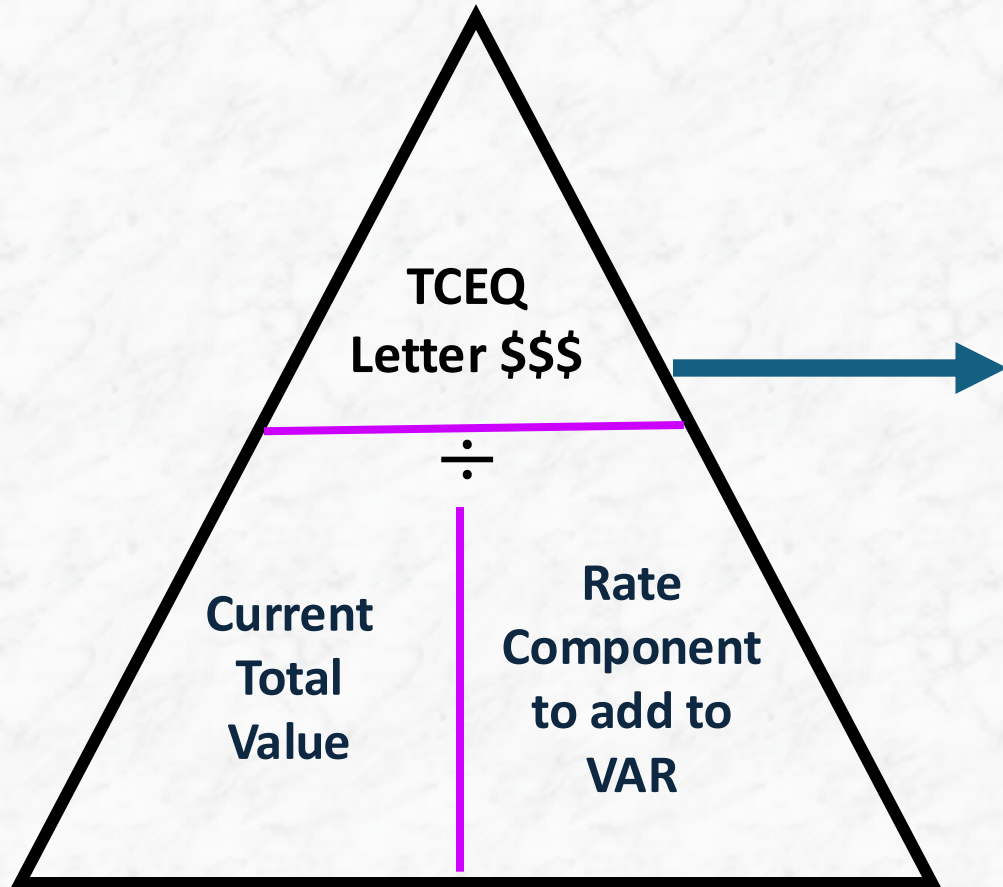
This is where you can get information for both Lines 40A and 52 (b)

Verify numbers with Governing Body as they may change

Pollution Control Rate



Pollution Control Rate



- Voter-approval Rate
- + Pollution Control rate
- = Voter-approval rate adjusted for pollution control

The Texas Commission on Environmental Quality (TCEQ, agency, commission)

proposes amendments to §§18.2, 18.10, 18.15, 18.25, 18.30, and 18.35. The commission also proposes new §18.26.

Background and Summary of the Factual Basis for the Proposed Rules

The commission proposes amendments to Chapter 18 to implement 2007 legislation, perform the required review of property on the Tier I Table and Expedited Review List, and make various editorial or administrative changes within the chapter for the rollback tax relief program.

Unused Increment Rate



(1-a)"Foregone revenue amount" means the greater of:

(A)zero; or

(B)the amount expressed in **dollars** calculated according to the following formula:

FOREGONE REVENUE AMOUNT =

(VOTER-APPROVAL TAX RATE – ACTUAL TAX RATE) x PRECEDING TOTAL VALUE

(1-b)"Preceding total value" means a taxing unit 's current total value in the applicable preceding tax year

Foregone Revenue

Year		Voter-Approval Rate (adjusted)	Actual Rate	Difference	Last year's value	Revenue	Current Year's Value	Unused Increment Rate
2022		0.88199	0.83111	0.05088	\$35,500,100.00	\$18,062.45	\$40,001,950	0.045154
2023		0.85015	0.84995	0.0002	\$36,980,000.00	\$73.96	\$40,001,950	0.000185
2024		0.83989	0.82077	0.01912	\$38,150,110.00	\$7,294.30	\$40,001,950	0.018235

0.070200  0.063574

As the current value rises, the unused increment rate is adjusted accordingly.

Foregone Revenue

Year		Voter-Approval Rate (adjusted)	Actual Rate	Difference
2022		0.88199	0.83111	0.05088
2023		0.85015	0.84995	0.0002
2024		0.83989	0.82077	0.01912

0.070200

Line 21 from
that Year's
Worksheet

Last year's value	Revenue	Current Year's Value	Unused Increment Rate
\$35,500,100.00	\$18,062.45	\$40,001,950	0.045154
\$36,980,000.00	\$73.96	\$40,001,950	0.000185
\$38,150,110.00	\$7,294.30	\$40,001,950	0.018235

0.063574

63.	<p>Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value</p> <p>A. Voter-approval tax rate (Line 68).....</p> <p>B. Unused increment rate (Line 67).....</p> <p>C. Subtract B from A.....</p> <p>D. Adopted Tax Rate.....</p> <p>E. Subtract D from C.....</p> <p>F. 2024 Total Taxable Value (Line 60).....</p> <p>G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....</p>
64.	<p>Year 2 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value</p> <p>A. Voter-approval tax rate (Line 67).....</p> <p>B. Unused increment rate (Line 66).....</p> <p>C. Subtract B from A.....</p> <p>D. Adopted Tax Rate.....</p> <p>E. Subtract D from C.....</p> <p>F. 2023 Total Taxable Value (Line 60).....</p> <p>G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....</p>
65.	<p>Year 1 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value</p> <p>A. Voter-approval tax rate (Line 67).....</p> <p>B. Unused increment rate (Line 66).....</p> <p>C. Subtract B from A.....</p> <p>D. Adopted Tax Rate.....</p> <p>E. Subtract D from C.....</p> <p>F. 2022 Total Taxable Value (Line 60).....</p> <p>G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....</p>
66.	<p>Total Foregone Revenue Amount. Add Lines 63G, 64G and 65G</p>

63. Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value

- A. Voter-approval tax rate (Line 68).....
- B. Unused increment rate (Line 67).....
- C. Subtract B from A.....
- D. Adopted Tax Rate.....
- E. Subtract D from C.....
- F. 2024 Total Taxable Value (Line 60).....
- G. Multiply E by F and divide the results by \$100. If the n

Logically, you should start with the oldest year and make adjustments from oldest to newest.

64. Year 2 Foregone Revenue Amount. Subtract the 2023 tax rate. Multiply the result by the 2023 current total value

- A. Voter-approval tax rate (Line 67).....
- B. Unused increment rate (Line 66).....
- C. Subtract B from A.....
- D. Adopted Tax Rate.....
- E. Subtract D from C.....
- F. 2023 Total Taxable Value (Line 60).....
- G. Multiply E by F and divide the results by \$100. If the n

2022, 2023 then 2024

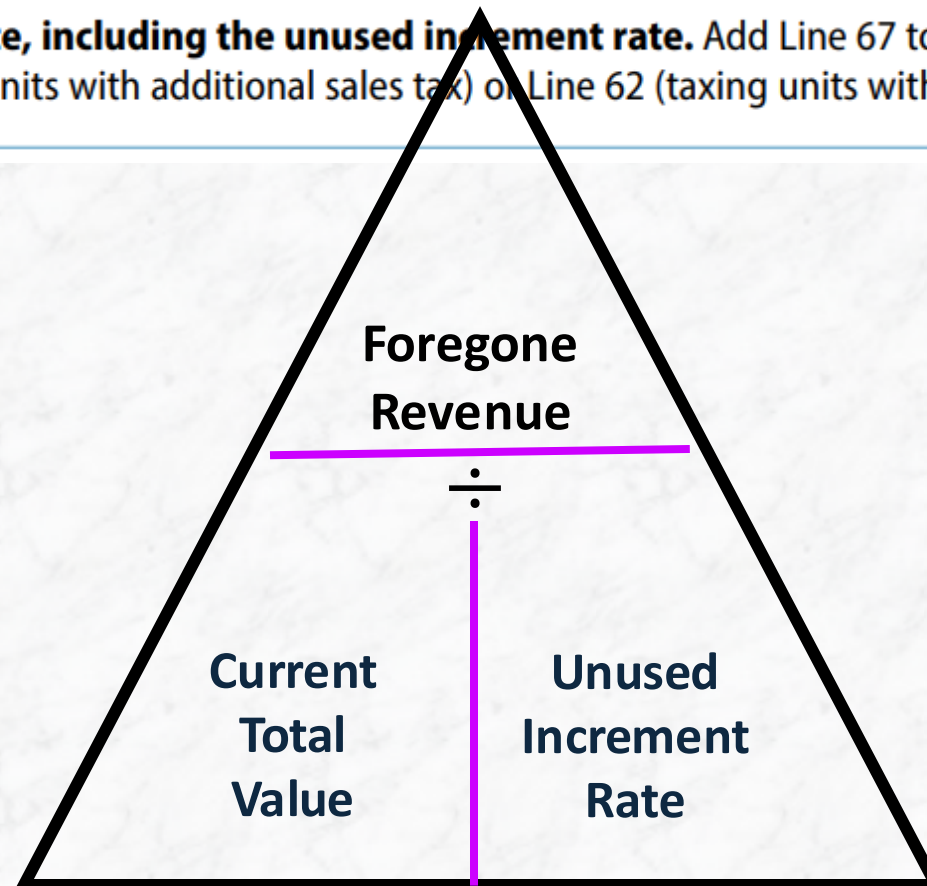
65. Year 1 Foregone Revenue Amount. Subtract the 2022 tax rate. Multiply the result by the 2022 current total value

- A. Voter-approval tax rate (Line 67).....
- B. Unused increment rate (Line 66).....
- C. Subtract B from A.....
- D. Adopted Tax Rate.....
- E. Subtract D from C.....
- F. 2022 Total Taxable Value (Line 60).....
- G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....

This worksheet only works with a computer program that does the logical calculation for you.

66. Total Foregone Revenue Amount. Add Lines 63G, 64G and 65G

66.	Total Foregone Revenue Amount. Add Lines 63G, 64G and 65G	\$25,430.71
67.	2025 Unused Increment Rate. Divide Line 66 by Line 21 of the <i>No-New-Revenue Rate Worksheet</i> . Multiply the result by 100	\$.063574
68.	Total 2025 voter-approval tax rate, including the unused increment rate. Add Line 67 to one of the following lines (as applicable): Line 49, Line 50 (counties), Line 58 (taxing units with additional sales tax) or Line 62 (taxing units with pollution)	





De Minimis Demystified!

What is purpose of the De Minimis Rate?

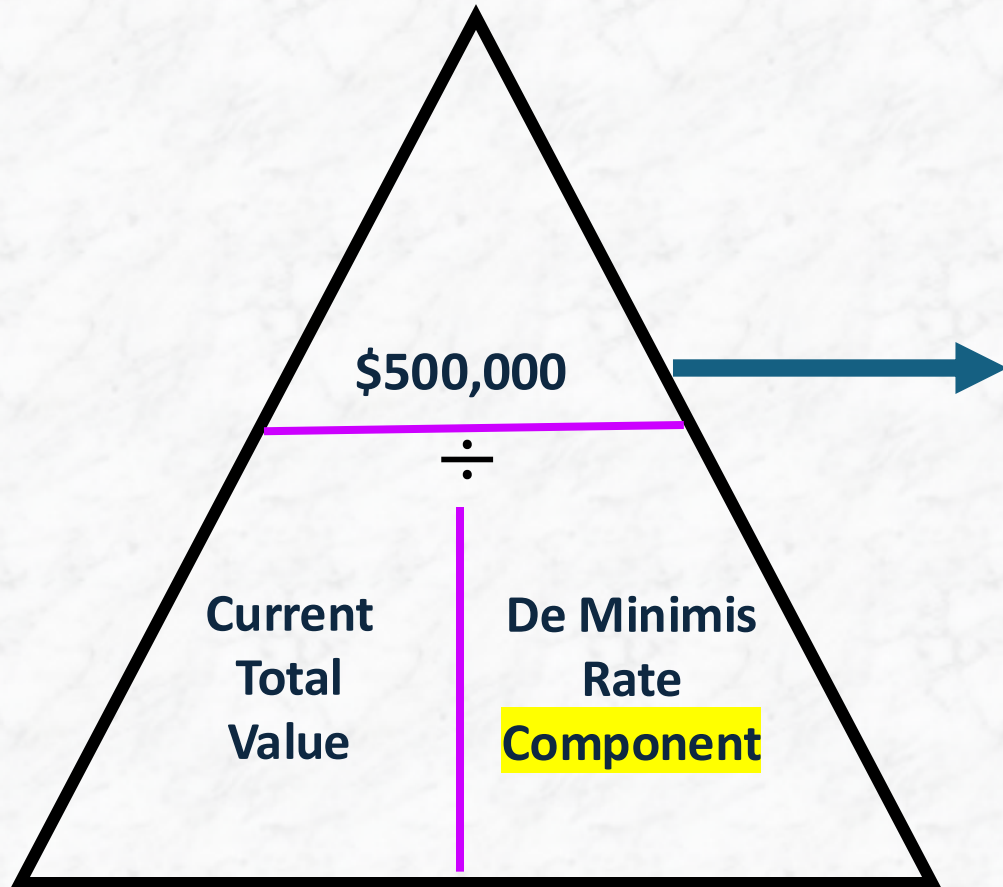
It allows certain taxing units the ability to adopt a tax rate:

- *That exceeds the voter-approval rate*
- *Without the expense of an “**automatic**” election*
- *If the adopted rate is equal to or less than the DMR*

Who uses De Minimis Rate?

- Counties
 - Small Cities (< 30,000)
 - Taxing Units - M&O above 2.5 cents
- Not a School District
 - Not a Water District
 - Not a Special Taxing Unit
 - Not City with 30,000 or more pop.

De Minimis Rate calculation



- No-New-Revenue-Rate M&O Rate
- + Rate component = \$500,000 levy
- + Debt Rate

- = De Minimis Rate

Comparison of VAR and the DMR

NNR M&O Rate

+ Debt

+ \$500,000 component

De Minimis Rate

NNR M&O Rate

+ Debt Rate

+ 3.5% increase

+ Unused Increment Rate

Voter-Approval Rate

A little math and the de minimis rate

- The levy is **\$14,288,000**
- The increase is 3.5%
- The result is **\$500,080**

- If levy is **higher**:
- The VAR will likely be *higher than the DMR*
The result is a de minimis rate that has no effect
- If levy is **lower**:
- The VAR will likely be **lower** than the DMR

This does not include the unused increment rate adjustment

Counties with more than one worksheet

Line	De Minimis Rate Worksheet
69.	Adjusted current year NNR M&O tax rate. Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i> .
70.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .
71.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 70 and multiply by \$100.
72.	Current year debt rate. Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .
73.	De minimis rate. Add Lines 69, 71 and 72.

Line 69 – Counties with more than one rate add all Lines 39 together before calculating DMR

The What if...

1. De Minimis Rate **EXCEEDS** the Voter-Approval Rate
2. The governing body **ADOPTS** a tax rate which is
3. **HIGHER** than the Voter-Approval Rate but
4. **EQUAL** to or **LOWER** than the De Minimis Rate

3% of the registered voters may petition for an election

3% of 2,100 is only 63 individuals

What a rollback calendar looks like...

Sept. 19, 2025	Rate Adopted	
Oct. 7, 2025	Bills Mailed	
<i>Dec. 17, 2025</i>	<i>Petition Received</i>	<i>90 days from adoption</i>
<i>Jan. 6, 2026</i>	<i>Validation Deadline</i>	<i>20 days from petition</i>
<i>May 2, 2026</i>	<i>Uniform Election Date</i>	
May 14, 2026	Election Certified	(Election Code 67.003 & 67.016)
May 21, 2026	Corrected Bills Mailed	
July 13, 2026	Refund Deadline	60 days from certification
Sept 4, 2026	Extended Delinquency	226 days added to Feb 1.

What a rollback calendar looks like...

Sept. 19, 2025

Rate Adopted

Oct. 7, 2025

Bills Mailed

Dec. 17, 2025

NO Petition Received

90 days from adoption



What a rollback calendar looks like...

Sept. 19, 2025

Rate Adopted

Oct. 7, 2025

Bills Mailed

Dec. 17, 2025

Petition Received

90 days from adoption

Jan. 6, 2026

Validation Deadline

20 days from petition

May 2, 2026

Uniform Election Date

Election Does NOT rollback

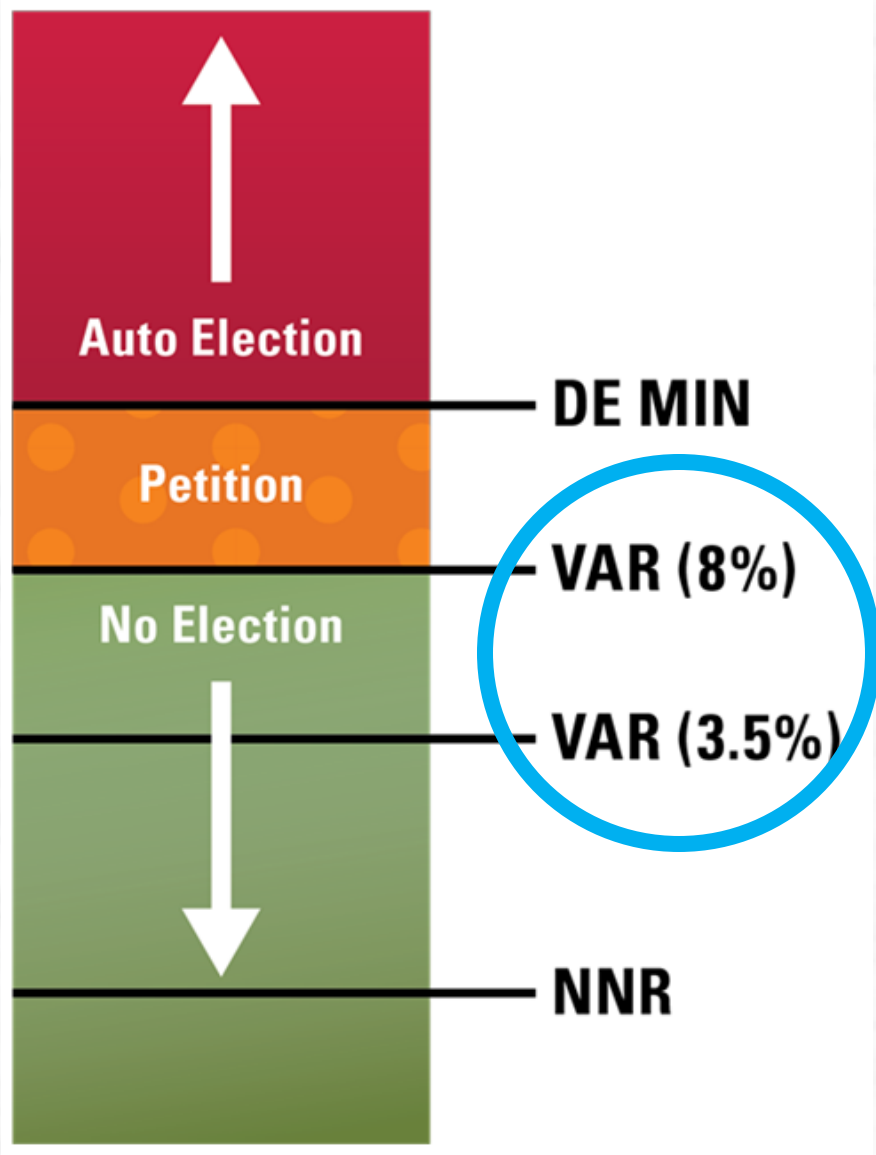


Sec. 26.075. PETITION ELECTION TO REDUCE TAX RATE OF TAXING UNIT OTHER THAN SCHOOL DISTRICT

This section applies to a taxing unit only in a tax year in which the tax unit's:

(1) de minimis rate exceeds the taxing unit's **voter-approval rate**;

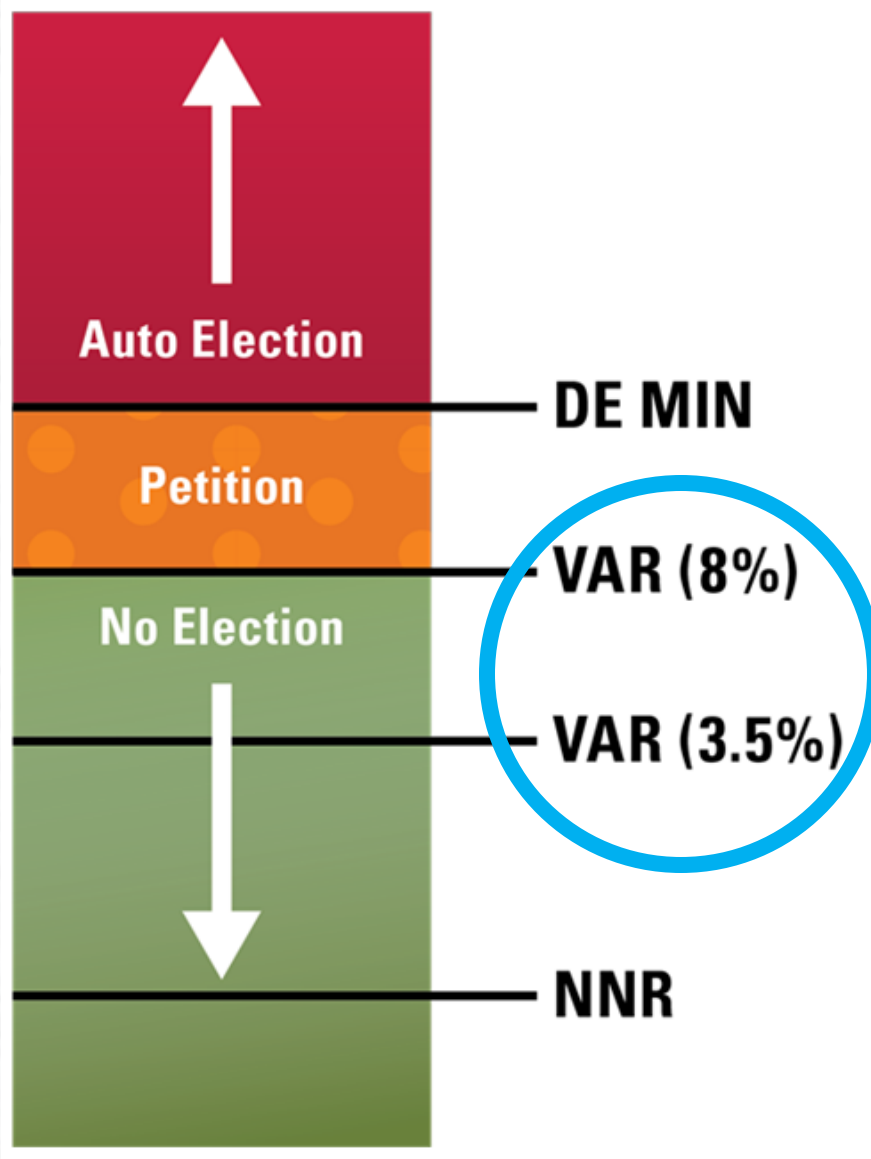
and the adopted rate is:



(A) equal to or lower than the taxing unit's de minimis rate; and

(B) greater than the greater of the taxing unit's:

- (i) voter-approval tax rate calculated as if the taxing unit were a special taxing unit;
- or
- (i) voter-approval tax rate.



Could the greater of the greater refer to:

A taxing unit that used the 8% as a voter approval rate for a disaster

An adopted rate above the 3.5% but below the 8% will not be rollbacked

A rate that has to be calculated so the taxing unit has the correct notice ?

Example of the “secret” rate

No-new-revenue rate equals **0.08331/100**

Voter-approval rate equals **0.08622/100**

Secret voter-approval rate equals **0.08997/\$100**

De minimis rate equals **0.09168/\$100**

Adopted rate equals **0.08996/\$100**

(4) substitute the following for the provision that provides notice that an election is required:

"The proposed tax rate is greater than the voter-approval tax rate but not greater than the de minimis rate and does not exceed the rate that allows voters to petition for an election under Section 26.075, Tax Code.

If *Bluebonnet ESD* adopts the proposed tax rate, *Bluebonnet ESD* **is not** required to hold an election so that the voters may accept or reject the proposed tax rate and the qualified voters of the *Bluebonnet ESD* **may not petition** the *Bluebonnet ESD* to require an election to be held to determine whether to reduce the proposed tax rate."



Tax Rate Adjustment due to a previous Disaster



Emergency Revenue Rate

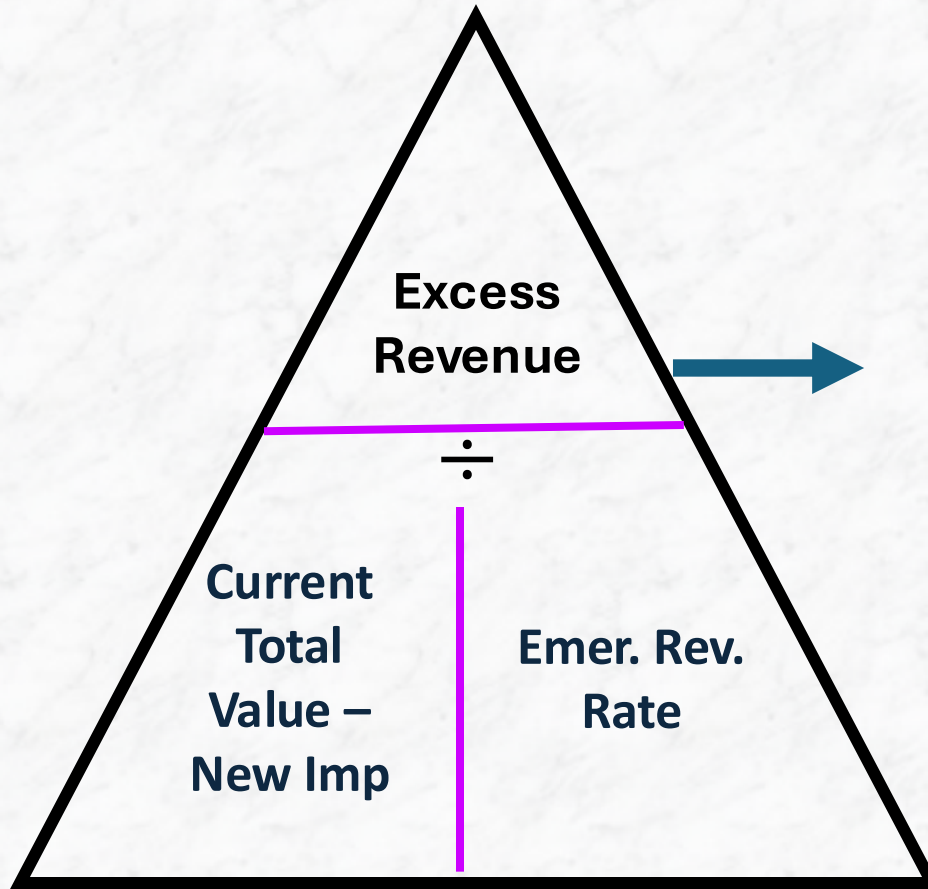
- Adjusts the current year and reduces the Voter-Approval Rate to account for extra funds needed for disaster

Line	Emergency Revenue Rate Worksheet
74.	2024 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .
75.	<p>Adjusted 2024 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line.⁴⁹</p> <p>If a disaster occurred in 2024 and the taxing unit calculated its 2024 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2024 worksheet due to a disaster, complete the applicable sections or lines of <i>Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i>.</p> <p>- or -</p> <p>If a disaster occurred prior to 2024 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2024, complete form 50-856-a, <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2024 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster.⁵⁰ Enter the final adjusted 2024 voter-approval tax rate from the worksheet.</p> <p>- or -</p> <p>If the taxing unit adopted a tax rate above the 2024 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.</p>
76.	Increase in 2024 tax rate due to disaster. Subtract Line 75 from Line 74.
77.	Adjusted 2024 taxable value. Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .
78.	Emergency revenue. Multiply Line 76 by Line 77 and divide by \$100.
79.	Adjusted 2024 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .
80.	Emergency revenue rate. Divide Line 78 by Line 79 and multiply by \$100. ⁵⁰

Subtract Line 80 (Emergency Revenue Rate) from the Voter-Approval Rate

Line	Emergency Revenue Rate Worksheet
81.	Current year voter-approval tax rate, adjusted for emergency revenue. Subtract Line 80 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 68 (taxing units with the unused increment rate).

Emergency Revenue Rate



Adopted rate – adjusted var **X last year's value =
excess revenue**

÷

current total value – new property Value

=

Emergency revenue rate

Tax Code Section 26.042

If a taxing unit adopts a tax rate to respond to a disaster,

- The **amount** by which that rate **exceeds** the unit's VAR for that tax year
- **May NOT be considered** when calculating the unit's VAR
- For **next year** when the unit adopts the rate.

EXCEPTION:

Water Code



CHAPTER 49. PROVISIONS APPLICABLE TO ALL DISTRICTS

Sec. 49.107. OPERATION AND MAINTENANCE TAX

WATER DISTRICTS

26.04 (d-2) accurately calculated the tax rates and used certified values

SECTION 9: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in Tax Code.⁵⁰

**print
here** ➡

Printed Name of Taxing Unit Representative

**sign
here** ➡

Signature of DOE

Taxing Unit Representative

Date



Voter- Approval Rate

An adopted tax rate that exceeds the VAR will have an automatic election*

***unless there is a disaster**

Responsibilities

A man with a beard and a green cowboy hat, wearing a dark jacket over a blue shirt, pointing his right index finger upwards. The background is a plain, light color.

**WHEN YOU WEAR TOO MANY HATS THEY
ARE BOUND TO TIP OVER**

The Assessor

and/or

Collector

and/or

Chief Appraiser

and/or

The Designated Officer or Employee (DOE)


Assessor/Designated Officer or Employee (DOE)

- Assessor could be different individual
- Designee has certain responsibilities
- Governing body determines DOE

Responsibilities - Information

- Appraisal District **VALUES and COURT DETERMINATIONS**
- Governing Body **DEBT, TIF, SALES TAX and UNENCUMBERED FUNDS**
- Collector **REFUNDS, EXCESS DEBT and ANTICIPATED RATE**
- Assessor/DOE **SUBMITS VALUES and CALCULATED RATES**

Appraisal District List

- 25.25 (d) corrections
 - Tax ceiling properties
 - District Court determinations
 - Court decisions under appeal
 - Value of lost property levy
 - Certified values
 - Captured TIF value
 - Value of annexed property
 - Protested property value
 - Value of new improvements
- 

Collectors List

- Refund Report
- Excess Collections
- Anticipated Collection Rate

Governing Body

- Amount paid into TIF
- Sales Tax information
 - Used for M&O
 - Used to Reduce Debt
 - Include Certification
- Transfer a function
- Indigent Health Care Expense
- Amount of Debt
- Unencumbered Funds
 - Used to Reduce Debt
 - Total amount
- Eligible Hospital Expenditures
- County only
 - Criminal justice mandate
 - Indigent Defense Compensation

Tax Code Section 26.04 Notice

Comptroller Form **50-212**

Notice About Tax Rates

- Not for School Districts
- Not for Water Districts
- Not for Small Taxing Units

Notice About _____ Tax Rates

(current year)

Property Tax Rates in _____
(taxing unit's name)

This notice concerns the _____ property tax rates for _____.
(current year) (taxing unit's name)

This notice provides information about two tax rates used in adopting the current tax year's tax rate. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. In most cases, the voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per \$100 of property value.

Taxing units preferring to list the rates can expand this section to include an explanation of how these tax rates were calculated.

This year's no-new-revenue tax rate \$ _____ /\$100

This year's voter-approval tax rate \$ _____ /\$100

To see the full calculations, please visit _____ for a copy of the Tax Rate Calculation Worksheet.
(website address)

Debt Portion in previous slides

Unencumbered Fund Balances

The following estimated balances will be left in the taxing unit's accounts at the end of the fiscal year. These balances are not encumbered by corresponding debt obligation.

Type of Fund	Balance
	\$

Reserves



TRUTH IN TAXATION HEARING

Property Values



Tax Rates



Aug. 16, 7 pm
City Hall



Notices, Public Hearings and Meetings

- Dates
- Public Hearings
- Meetings

Governing Body **Proposes** Rate

- Sets Date, Time and Place
- Public Hearing/Meeting to Adopt
- **Notice 5 days** in Newspaper
- Internet and/or TV (**7** days)
- Quorum must attend

The process of adopting a tax rate

- 72-hour notice
- Officially propose a rate
- Record how each voted
- *This information determines which notice must be used*



“PROPOSE a RATE”

The process of adopting a tax rate

PROPOSE a RATE



Notices

7
DAYS

&

5
DAYS



ADOPT a RATE



This is the process when a taxing unit **DOES NOT** exceed any benchmark rate

The process of adopting a tax rate

PROPOSE a RATE



Notices

7
DAYS

&

5
DAYS



PUBLIC HEARING



ADOPT a RATE



This is the process when a taxing unit **DOES** exceed any benchmark rate

The process of adopting a tax rate

PROPOSE a RATE



Notices



PUBLIC HEARING

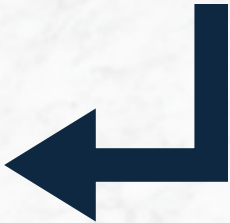


This is the process when a taxing unit **DOES NOT** adopt the rate at the Public Hearing

ADOPT a RATE



7 DAYS



One Notice

Either
Public Hearing Notice
or
Meeting to Vote

Governing Body Proposes Rate

Notices must contain:

- Names of **ALL** members of governing body
- Date, Time and Place of hearing/meeting
- How each member VOTED on the proposed rate
- “For” or “Against” proposed tax rate
- Indicate any absences
- Definition of rates

Chart from Tax Code Section 26.062

	2024	2025	Change
<i>Total Tax Rate (per \$100 of value)</i>	0.45599	0.44312	Decreased (-.01287) or 2.9%
<i>Average Homestead Taxable Value</i>	\$250,000	\$260,000	Increase of 4%
<i>Tax on Average Homestead</i>	\$1,140	\$1,152	Increase of \$12.00 or 1%
<i>Total Tax Levy on All Properties</i>	\$7,788,650	\$7,950,880	Increase of \$162,230 or 2%

Proposed Rate determines notice

Form 50-873	If the proposed rate exceeds both NNR and VAR rates
Form 50-876	If the proposed rate exceeds the NNR, but not the VAR rate
Form 50-877	If the proposed rate exceeds VAR, but not the NNR rate

This happens when the VAR is lower than the NNR

Proposed Rate determines notice

Form 50-883

If the proposed rate **does not exceed** either NNR or VAR rates

- No Public Hearing Needed
- No Election Needed
- Just Adopt the Rate

Water Districts



Water Districts

Category	Low Tax Rate Districts	Developed Districts	Developing 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

What are you?

Check the type of water district applies to you...

☐

A Low Tax Rate Water District (Water Code 49.23601)

☐

A Developed Water District (Water Code 49.23602)

☐

A Developing Water District (Water Code 49.23603)

2025 Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts

Form 50-858

Water District Name

Phone (area code and number)

Water District's Address, City, State, ZIP Code

Water District's Website Address

GENERAL INFORMATION: The Comptroller's office provides this worksheet to assist water districts in determining their voter-approval tax rate. The information provided in this worksheet is offered as technical assistance and not legal advice. Water districts should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.


Indicate type of water district:

☐ Low tax rate water district
(Water Code Section 49.23601)

☐ Developing water district
(Water Code Section 49.23603)

☐ Developed water district in a declared disaster area
(Water Code Section 49.23602(d))






Line	Worksheet
1.	Prior year average appraised value of residence homestead. ¹
2.	Prior year general exemptions available for the average homestead. Excluding age 65 or older or disabled persons exemptions. ²
3.	Prior year average taxable value of residence homestead. Line 1 minus Line 2.
4.	Prior year adopted M&O tax rate.
5.	Prior year M&O tax on average residence homestead. Multiply Line 3 by Line 4. Value X M&O rate = M&O LEVY
6.	Highest M&O tax on average residence homestead with increase. Multiply Line 5 by 1.08. ³ 

M&O LEVY with 8% increase

7.	Current year average appraised value of residence homestead.
8.	Current year general exemptions available for the average homestead. Excluding age 65 or older or disabled persons exemptions. ⁴
9.	Current year average taxable value of residence homestead. Line 7 minus Line 8.
10.	Highest current year M&O tax rate. Line 8 divided by Line 9, multiply by \$100. ⁵

The **Voter-Approval Rate** compares the **M&O Rates** with an **8%** increase

10.	Highest current year M&O tax rate. Line 6 divided by Line 9, multiply by \$100. ⁵	
11.	Current year debt tax rate.	
12.	Current year contract tax rate.	
13.	Current year voter-approval tax rate. Add lines 10, 11 and 12.	

Water District **Voter-Approval Rate**

There are **NO INSTRUCTIONS** or **WORKSHEETS** for the calculation of the **Debt Rate** or the **Contract Rate**



X

**M&O
Rate**

=

**M&O Tax
on HS**

X

**8%
increase**

÷

**Prior YR Avg
HS Taxable
Value**

Voter-Approval Rate



**Debt/Contract
Rates**

+

**Highest
M&O Rate**

=

**Current YR
Avg HS
Taxable Value**

SECTION 2: Election Tax Rate

For a low tax rate water district, the election tax rate is the highest total tax rate the district may adopt without holding an automatic election to approve the adopted tax rate.

For a developing water district, the election tax rate is the highest total tax rate the district may adopt before qualified voters of the district may petition for an election to lower the adopted tax rate.

If any part of a developed water district is located in an area declared a disaster area during the current tax year by the governor or by the president, the board of the district may calculate the election tax rate as the highest tax rate the district may adopt without holding an automatic election to approve the adopted tax rate.

In these cases, the election tax rate is the rate that would impose 1.08 times the amount of tax imposed by the district in the preceding year on the average appraised value of a residence homestead in the water district. The average appraised value disregards any homestead exemption available only to people with disabilities or those age 65 or older. ⁷

Line	Worksheet	Amount/Rate
14.	Prior year average taxable value of residence homestead. Enter the amount from Line 3.	\$ <input type="text"/>
15.	Prior year adopted total tax rate.	\$ <input type="text"/> /\$100
16.	Prior year total tax on average residence homestead. Multiply Line 14 by Line 15, divide by \$100.	<input type="text"/> \$100
17.	Current year highest amount of taxes per average residence homestead. Multiply Line 16 by 1.08, divide by \$100.	\$ <input type="text"/>
18.	Current year tax election tax rate. Divide Line 17 by Line 9 and multiply by \$100.	<input type="text"/> /\$100

Value X Total rate = Total LEVY

Total LEVY with 8% increase

The Election Rate compares the **TOTAL TAX RATE** to 8% increase

The Voter-Approval Rate compares the **M&O Rates** with an 8% increase



X

**Total
Rate**

=

**Total Tax
on HS**

X

**8%
increase**

**Prior YR Avg
HS Taxable
Value**

÷



**Current YR
Avg HS
Taxable Value**

**Election
Rate**

=

2025 Developed Water District Voter-Approval Tax Rate Worksheet

Form 50-860

Water District Name

Phone (area code and number)

Water District's Address, City, State, ZIP Code

Water District's Website Address

GENERAL INFORMATION: The Comptroller's office provides this worksheet to assist water districts in determining their voter-approval tax rate. The information provided in this worksheet is offered as technical assistance and not legal advice. Water districts should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: Voter-Approval Tax Rate

The voter-approval tax rate for developed water districts is the current year's debt service, contract and unused increment tax rates plus the maintenance and operation (M&O) tax rate that would impose no more than 1.035 times the amount of M&O tax imposed by the water district in the preceding year on the average appraised value of a residence homestead in the water district. The average appraised value disregards any homestead exemption available only to people with disabilities or those age 65 or older.

The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll or certified estimate of value and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

If any part of the developed water district is located in an area declared a disaster area during the current tax year by the governor or by the president, the board of the district may calculate the voter-approval tax rate in the manner provided in Water Code Section 49.23601(a) and determine whether an election is required to approve the adopted tax rate in the manner provided in Water Code Section 49.23601(c). In such cases, the developed water district may use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for*

Friday, June 20,
Fri 3:00 PM (Los

1.	Prior year average appraised value of residence homestead. ¹
2.	Prior year general exemptions available for the average homestead. Excluding age 65 or older or disabled persons exemptions. ²
3.	Prior year average taxable value of residence homestead. Line 1 minus Line 2.
4.	Prior year adopted M&O tax rate.
5.	Prior year M&O tax on average residence homestead. Multiply Line 3 by Line 4, divide by \$100.
6.	Highest M&O tax on average residence homestead with increase. Multiply Line 5 by 1.035. ³

Line 6 is **3.5%** instead of **8%** allowable increase

7.	Current year average appraised value of residence homestead.
8.	Current year general exemptions available for the average homestead. Excluding age 65 or older or disabled persons exemptions. ⁴
9.	Current year average taxable value of residence homestead. Line 7 minus Line 8.
10.	Highest current year M&O tax rate. Line 6 divided by Line 9, multiply by \$100. ⁵
11.	Current year debt tax rate.
12.	Current year contract tax rate.
13.	Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value.

Calculations are the same through Line 12

13.	<p>Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value.</p> <p>A. Voter-approval tax rate</p> <p>B. Unused increment rate</p> <p>C. Subtract B from A</p> <p>D. Adopted Tax Rate</p> <p>E. Subtract D from C</p> <p>F. 2024 Total Taxable Value</p> <p>G. Multiply E by F and divide the results by \$100</p>
14.	<p>Year 2 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value.</p> <p>A. Voter-approval tax rate</p> <p>B. Unused increment rate</p> <p>C. Subtract B from A</p> <p>D. Adopted Tax Rate</p> <p>E. Subtract D from C</p> <p>F. 2023 Total Taxable Value</p> <p>G. Multiply E by F and divide the results by \$100</p>
15.	<p>Year 1 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value</p> <p>A. Voter-approval tax rate</p> <p>B. Unused increment rate</p> <p>C. Subtract B from A</p> <p>D. Adopted Tax Rate</p> <p>E. Subtract D from C</p> <p>F. 2022 Total Taxable Value</p> <p>G. Multiply E by F and divide the results by \$100</p>
16.	<p>Total Foregone Revenue Amount. Add Lines 13G, 14G and 15G.</p>
17.	<p>2025 Unused Increment Rate. Divide Line 16 by the current total value as defined in Tax Code Section 26.012(6). Multiply the result by 100. ⁶</p>

Lines 13-17

Calculation is exactly like the Unused Increment Rate from Comptroller Form 50-856

Lines 13 – 17 create an **Unused Increment Rate**

Total Current Value **NOT** average HS value





X

**M&O
Rate**

=

**M&O Tax
on HS**

X

**3.5
increase**

**Prior YR Avg
HS Taxable
Value**

÷

**Debt/Contract
Rates**

+

**Highest
M&O Rate**

=



**Current YR
Avg HS
Taxable Value**

+

**Unused Inc
Rate**

=

Voter-Approval Rate

18.	Total 2025 voter-approval tax rate, including the unused increment rate.
-----	--

No Instructions on which lines to “Total”!

My guess is:

Line 10 – M&O rate with 3.5% increase

Line 11 – Debt Rate

Line 12 – Contract Rate

Line 17 – Unused Increment Rate

Do you add Lines 10, 11, 12 and 17 to get Line 18???



X

**Total
Rate**

=

**Total Tax
on HS**

X

**3.5%
increase**

**Prior YR Avg
HS Taxable
Value**

÷



**Current YR
Avg HS
Taxable Value**

**Mandatory
Election
Rate**

=

**Unused Inc
Rate**

+

HB 2815

Effective 6/18/2023

A developed district is **not required** to have an election to approve a tax rate that is higher than the district's mandatory tax election rate **if the adopted tax rate is less than or equal to the voter-approval tax rate.**



Calendar of Events

Complying with the
Education Code

Tax Code


Election Code

Government Code

Deadlines and Guideline Dates



April 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		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 			
Certified Estimate From CAD						

Free calendar provided and created by [handy-calendars.com](https://www.handy-calendars.com)

No federal holidays this month

April 30th
certified
estimate shows
value trends

July 2025



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4 Independence Day	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25 	26
27	28	Certified Value or Estimated Certified Value				

Free calendar provided and created by handycalendars.com

DOE can begin
rate calculations

July 25th values
are usually very
different from April
30th values

August 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
Anticipated Collection Rate/Excess Collections						
3	4	5	6	7	8	9
						
10	11	Submit calculated rates to governing body				
17	18	CAD publishes/posts Estimated Tax Info				
24	25	26	27	28	29	30
31						

Free calendar provided and created by handy-calendars.com

No federal holidays this month

Collector certifies
Anticipated
Collection Rate
and Excess
Collections

DOE submits rates
to governing body

CAD
publishes/posts
Estimated Tax
Information

"Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.";

"Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information regarding the amount of taxes that each entity that taxes your property will impose if the entity adopts its proposed tax rate. ***Your local property tax database will be updated regularly during August and September as local elected officials propose and adopt the property tax rates that will determine how much you pay in property taxes.***"

September 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 Labor Day	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 set by tax assessor


Deadline to adopt tax rate

By Sept. 30
deadline for tax
rate adoption (or
60 days after
receipt of roll

Assessor may
have a different
date

Free calendar provided and created by handy-calendars.com

October 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 	2		
5	6	7	8	9	10	11
12	13 Columbus Day	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Free calendar provided and created by [handycalendars.com](https://www.handycalendars.com)

**Mail Tax Bills
(Unless waiting until after election)**

Tax bills are
usually mailed the
1st or 2nd week of
Oct

This year will
include exemption
amendments for
schools

November 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4 	Uniform Election Day To hold Tax Ratification Election			
9	10	11 Veterans Day				
16	17	18	19	20	21	22
23	24	25	26	27 Thanksgiving Day	28	29
30						

Free calendar provided and created by [handycalendars.com](https://www.handycalendars.com)

Because of the Exemption Amendments for schools, some consolidated taxing units will wait until after the election to mail tax bills



How to set the dates to
meet your deadlines

Go Backwards...

September 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 Labor Day	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	
21	22	23	24	25	26	27
28	29	30				

Free calendar provided and created by [handy-calendars.com](https://www.handy-calendars.com)



Public Hearing/ Meeting to adopt



72-hour notice

These are the minimum dates, they can be further back.

The tax code states “before the fifth day” etc.

September 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 Labor Day	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				

72-hour notice HB 1522






Public Hearing/ Meeting to adopt

HB 1522 Goes into effect 9/1/2025

If adopting a rate in September, must use 3 business days instead of 72-hour notice

Free calendar provided and created by [handy-calendars.com](https://www.handy-calendars.com)

September 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 Labor Day	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				

Free calendar provided and created by handy-calendars.com

Deadline to get info to paper/IT

5th day before...

Internet Posting / TV Notice Published

Public Hearing/ Meeting to adopt

The posting on the internet is by the 7th day before

Newspaper have certain deadlines to be published

August 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					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						








72-hour notice



Meeting to Propose Tax Rate

September 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 Labor Day	2	3	4	5 	6 <div>Deadline</div>
7	8 	9	10 	<div>Notice Published</div>		
	<div>Internet Posting / TV</div>					
14	15 	16	17	18	19	20
	<div>Public Hearing/ Meeting to adopt</div>					
21	22	23	24	25	26	27
28	29 	30	<div>Approve the Tax Roll *</div>			

Free calendar provided and created by handy-calendars.com

These are the minimum dates,
Deadline to get info to paper/IT or back.

Approving the tax roll has no date requirement
26.09 (e)

August 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					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						



78th Day before Nov 4



71st Day before Nov 4

Free calendar provided and created by [handy-calendars.com](https://www.handy-calendars.com)

No federal holidays this month

Taxing unit should adopt its tax rate by August 18th to comply with Election Code requirement.

This is for a taxing unit adopting a rate higher than the voter-approval rate



- 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

9.1002. Posting of Tax Rates on County's Internet Website

(a) The information required to be posted by the county assessor-collector on the **county's internet website** pursuant to Tax Code, §26.16 shall be posted on the website by means of a **prominently featured hyperlink** on the **home page of the website** entitled "Tax Rate Information"



≡ Home page

Article [Talk](#)

From Wikipedia, the free encyclopedia

For the English Wikipedia's home page, see [Main Page](#).

For main screens on devices, see [Home screen](#). For other uses, see [Home page \(disambiguation\)](#).

"Start page" redirects here. For the Windows GUI element, see [Start menu](#). For the Dutch search engine, see [Startpage](#).

A **home page** (or **homepage**) is the main [web page](#) of a [website](#).^[1] Usually, the home page is located at the [root](#) of the website's [domain](#) or [subdomain](#). For example, if the domain is `example.com`, the home page is likely located at the [URL](#) `www.example.com/`.

The term may also refer to the **start page** shown in a [web browser](#) when the [application](#) first opens.^[2]

Function

A home page is the main web page that a visitor will view when they navigate to a website via a search

Databases for Counties

Tax Code Section 26.16

- **Contact Info for Members of Governing Body of Taxing Unit**
- Calculation Worksheets (Aug 7)
- Explanation of Rate Name Change (Expires 2026)

COURTS

JOBS

HEALTH DISTRICT

PHONE & EMAIL DIRECTORY



Government

Departments

Online Services

How Do I?



Search...



Brazos County is a wonderful place to live and work.

County Announcements



Agendas
& Minutes



Employment



Tax Rate & Budget
Notices



Budget Adoption



Justice Web

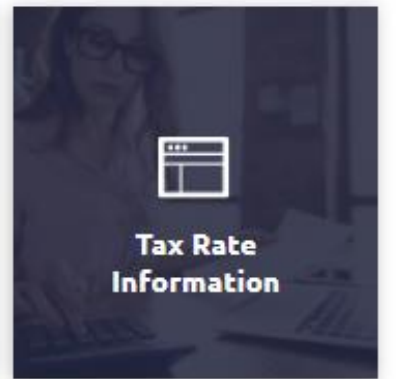
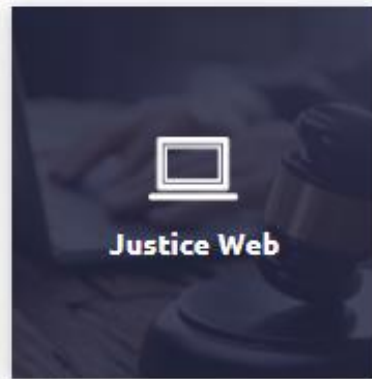
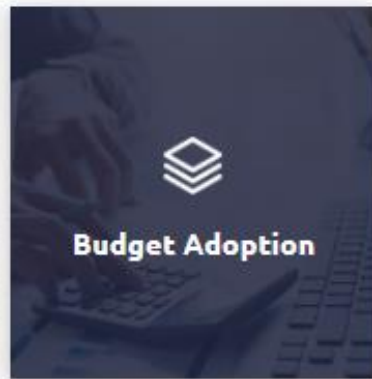
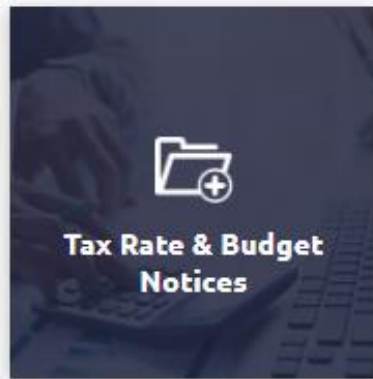
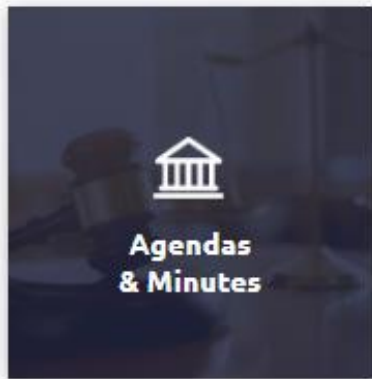


Tax Rate
Information

Quick Resources

Select Language

Google Translate





**Sec. 26.175. PROPERTY TAX
DATABASE LOCATOR WEBSITE.**

[Home](#) > [Living in Texas](#) > [Property Tax Transparency in Texas](#)

Property Tax Transparency in Texas

The budgets adopted by taxing units and the tax rates they set to fund those budgets play a significant role in determining the amount of taxes each property owner pays. In 2019, the Texas Legislature passed legislation to help Texans better understand tax rates in their home county. Access timely information about how local tax rate decisions affect your tax bill on your county's Truth in Taxation website.

If you have questions about your property taxes, please contact your county's Tax Assessor-Collector.

Find your county's website



<https://www.texas.gov/living-in-texas/property-tax-transparency/>

Appraisal District Database

Designated office
or employee's role

Tax Code Section 26.17

- (b)(12)(13)Date, Time and Place
- (b)(12)(13)Public Hearing/Meeting
- (e)(2)Tax Rate Calculations Forms

Appraisal District Database

Tax Code Section 26.17

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



Sec. 26.18. POSTING OF TAX RATE AND BUDGET INFORMATION BY TAXING UNIT ON WEBSITE. Each taxing unit shall maintain an Internet website or have access to a generally accessible Internet website that may be used for the purposes of this section. Each taxing unit **shall post** or cause to be posted on the Internet website the following information **in a format prescribed by the comptroller:**

SUBCHAPTER E. TAX OFFICE ADMINISTRATION

9.1001. Current and Delinquent Tax Receipts and Temporary Tax Receipts .

9.1002. Posting of Tax Rates on County’s Internet Website

Database for ALL Taxing Units

Tax Code Section 26.18

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

Database for ALL Taxing Units

Tax Code Section 26.18

Each taxing unit MUST post:

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

Tax Code Section 26.04
(e-5) ...a taxing unit shall
include as an appendix to
the budget the **tax rate
calculation forms**

SB 1106 **Effective 1/1/2026**

PID on DATABASE

(15) for each **public improvement district** established ...Local Government

Code, in which the property is located:

(A) the **name of the district**;

(B) the **total assessment levied** against the property by the district;

(C) the **amount of the annual assessment levied** against the property by the district; and

(D) if applicable, the amount of each periodic installment levied against the property by the district.

Important Stuff



We need backup when calculating rates

- Have fresh eyes check work
- Involve more staff

We need to communicate with...

- Appraisal District
- Governing Body

We need to **get it in writing!!**

We need a **TEMPLATE RECAP SHEET** from the CADs



TRUTH IN TAXATION



Questions?
Connie Rose

Director of Education
McCreary, Veselka, Bragg and Allen,
P.C.

crose@mvbalaw.com
(512) 323-3242





Truth-in-Taxation School Districts 2025

Going Further™...

Helping Texas Communities Thrive



ABOUT US



SERVICES



TAX SALES



BLOG



CONTACT

Truth-in-taxation rules are complex but doable.

Because everything's bigger in Texas. And because there are five types of taxing units and each has its own definitions and constituents, the number and types of requirements can be overwhelming. For a long time, the Texas Comptroller offered guidance to taxing units as they figured it all out. The Comptroller stopped offering that guidance and stepped in.



Get a copy of mvba's
Taxation Guidebook.

Download

To be updated July 2025

Truth-in-Taxation for schools

- Tax Rate Terms
- Comptroller Forms
- TEA Information
- Calendar
- New Laws for 2025-2026



Tax Rate Terms

List of School Tax Rates

Name that RATE:

NNR No-New-Revenue Rate

VAR Voter-Approval

But where is the

No-New-Revenue Maintenance and Operations Rate

2024 Law Fixed the Issue

HB 4456

Eff 1/1/24

Amends 26.012 (18) subsection (B) to make conforming changes related to the **no-new-revenue maintenance and operations tax rate** for school districts.

Tax Code Section 26.05 (b) For a school district,

the vote resolution setting a tax rate that exceeds the rate calculated as provided by **Ed. Code Section 44.004(c)(5)(A)(ii)**, must be a record vote, and **at least 60% of the members must vote in favor of the resolution...**

"Rate to Maintain"

Same Level of Maintenance & Operations Revenue &

Pay Debt Service," which:

In the case of "Maintenance & Operations," is the tax rate that, when applied to the current value... and adjusted to reflect changes, would impose taxes, when added to state funds, would provide the **same amount of M & O taxes... that was available to the district in the preceding school year;**

A quick look at some rates to calculate **(or not):**

- Maximum Compression Rate (MCR)
(No calculations required – TEA provided)
- Enrichment Tax Rate (DTR)
(No calculations required - historical)
- Interest & Sinking Rate (Debt Rate)
(Calculate using Comptroller Form)

A quick look at some rates to calculate

Maintenance & Operations Rate

+

Interest & Sinking (Debt) Rate

=

Voter-Approval Rate (VAR)

A quick look at some other rates:

These rates appear on the Quarter-page Notice

- **Last Year's Rate**
(Maintenance and Operations)
(Interest and Sinking)
- **Rate to Maintain**
(Level of Maintenance & Operations Revenue)
(And Pay Debt Service)
- **Proposed Tax Rate**
(Maintenance and Operations)
(Interest and Sinking)

Note: School Districts are required to separate **M&O and I&S (Debt)** on the notices – Other Taxing Units don't have this requirement

The WORKSHEETS

School districts

- 50-859, 2025 Tax Rate Calculation Worksheet – School Districts without Chapter 313 and JETI Agreements (PDF)
- 50-884, 2025 Tax Rate Calculation Worksheet – School Districts with Chapter 313 and JETI Agreements (PDF)

Tax Rate Calculation Worksheets

- Taxing units other than school districts or water districts
 - 50-856, 2025 Tax Rate Calculation Worksheet - Taxing Units Other Than School Districts or Water Districts (PDF)
 - 50-856-A, Supplemental Tax Rate Calculation Worksheet - Voter-Approval Tax Rate for Taxing Units in a Voter-Approval Area Other Than School Districts or Water Districts (PDF)
- School districts
 - 50-859, 2025 Tax Rate Calculation Worksheet – School Districts without Chapter 313 and JETI Agreements (PDF)
 - 50-884, 2025 Tax Rate Calculation Worksheet – School Districts with Chapter 313 and JETI Agreements (PDF)

Be sure to clear browser to get latest version

2025 Tax Rate Calculation Worksheet

Form 50-859

School Districts without Chapter 313 and JETI Agreements

School District's Name

Phone *(area code and number)*

School District's Address, City, State, ZIP Code

School District's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll or certified estimate of value and the estimated values of properties under protest. The designated officer or employee shall submit the rates to the governing body by August 7 or as soon thereafter as practicable. Tax Code Section 26.04(e-1) does not require school districts to certify tax rate calculations or comply with certain Tax Code notice requirements. School districts are required to provide notice regarding tax rate calculations pursuant to Education Code Chapter 44.

Form number

**Month and year of
revision**

Number of times revised

axes/property-tax

50-859 • 2-25/12

2025 Tax Rate Calculation Worksheet

Form 50-884

School Districts with Chapter 313 and JETI Agreements

School District's Name

Phone (area code and number)

School District's Address, City, State, ZIP Code

School District's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll or certified estimate of value and the estimated values of properties under protest. The designated officer or employee shall submit the rates to the governing body by August 7 or as soon thereafter as practicable. Tax Code Section 26.04(e-1) does not require school districts to certify tax rate calculations or comply with certain Tax Code notice requirements. School districts are required to provide notice regarding tax rate calculations pursuant to Education Code Chapter 44.

This worksheet is for **school districts with Tax Code Chapter 313 or Government Code Chapter 403, Subchapter T, Texas Jobs, Energy, Technology, and Innovation Act (JETI) agreements only**. School districts that do not have Chapter 313 or JETI agreements should use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 or JETI Agreements*.

For additional copies, visit: comptroller.texas.gov/taxes/property-tax

50-884 • 4-25/8

[s/property-tax](https://comptroller.texas.gov/taxes/property-tax)

50-884 • 4-25/8

The WORKSHEETS

Line by Line

Form 50-869

Line	No-New-Revenue Tax Rate Worksheet		
1.	Prior year total taxable value. Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude one-fourth and one-third over-appraisal corrections made under Tax Code Section 25.25(d) from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2). ¹		CAD
2.	Prior year tax ceilings. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. ²		CAD
3.	Preliminary prior year adjusted taxable value. Subtract Line 2 from Line 1.		MATH
4.	Prior year total adopted tax rate.		GB
5.	Prior year taxable value lost because court appeals of ARB decisions reduced prior year appraised value. <div style="margin-left: 20px;"> A. Original prior year ARB values: \$ <input type="text"/> </div> <div style="margin-left: 20px;"> B. Prior year values resulting from final court decisions: - \$ <input type="text"/> </div> <div style="margin-left: 20px;"> C. Prior year value loss. Subtract B from A. ³ </div>		CAD
6.	Prior year taxable value subject to an appeal under Chapter 42, as of July 25. <div style="margin-left: 20px;"> A. Prior year ARB certified value: \$ <input type="text"/> </div> <div style="margin-left: 20px;"> B. Prior year disputed value: - \$ <input type="text"/> </div> <div style="margin-left: 20px;"> C. Prior year undisputed value. Subtract B from A. ⁴ </div>		CAD
7.	Prior year Chapter 42-related adjusted values. Add Line 5 and 6.		MATH
8.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.		MATH

Line 2 is
last year's
ceilings

and

Line 19 is
this year's
ceilings

Rates to calculate:

Line 9, 10 and 11 – From Appraisal district

Lost Property Levy

Property **Taxed in BOTH YEARS**

Loss from **EXEMPTIONS**

Loss from **Special Valuations** – Ag (etc.)

Loss from **losing territory**

Rates to calculate:

Line 9 – From Appraisal district

LINE 9 – Territory taxed last year – not taxed this year

9.	Prior year taxable value of property in territory the taxing unit <u>deannexed</u> after Jan 1, 2024 Enter the prior year value of property in <u>deannexed territory.</u> ⁵
----	--

10.	<p>Prior year taxable value lost because property first qualified for an exemption in the current year. If the school district increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport goods-in-transit, or temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value.</p> <p>A. Absolute exemptions. Use prior year market value: \$ <input type="text"/></p> <p>B. Partial exemptions. Current year exemption amount or current year percentage exemption times prior year value:.. + \$ <input type="text"/></p> <p>C. Value loss. Add A and B. ⁶</p>
11.	<p>Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year. Use only properties that qualified in the current year for the first time; do not use properties that qualified in the prior year.</p> <p>A. Prior year market value. \$ <input type="text"/></p> <p>B. Current year productivity or special appraised value:..... - \$ <input type="text"/></p> <p>C. Value loss. Subtract B from A. ⁷</p>
12.	<p>Total adjustments for lost value. Add Lines 9, 10C and 11C.</p>
13.	<p>Adjusted prior year taxable value. Subtract Line 12 from Line 8.</p>

CAD

CAD

MATH

MATH

Rates to calculate:

Line 10 – From Appraisal district

Step 10a. Property taxed (an office building) last year - this year is a church

Step 10b. Increased or new PARTIAL exemptions

Step 10c. Total all new EXEMPTIONS

10.

Prior year taxable value lost because property first qualified for an exemption in the current year.

If the taxing unit increased an original exemption, use the difference between the original exemption amount and the current year exemption amount. Do not include value lost due to a partial exemption in the current year.

For School Districts – Line 10B will reflect the new laws

A. Absolute exemptions.

Use prior year market value:

\$

B. Partial exemptions.

Current year exemption amount or current year percentage exemption times prior year value:

+

\$

C. Value loss.

Add A and B. ⁶

Rates to calculate:

Line 11 – From Appraisal district

Step 11a. – Last year’s Market Value

Step 11b. – This year’s Special (ag) Value – **First year only**

Step 11c. – Difference between Market and Special values (usually a lot)

11.	Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year. Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year.		
	A. Prior year market value:	\$	
	B. Current year productivity or special appraised value:	- \$	
	C. Value loss. Subtract B from A. ⁷		

Rates to calculate:

Line 12 – Math

LINE 12. Total of lines 9-11 of all LOST PROPERTY LEVY

The NNR M&O rate does account for LOST PROPERTY LEVY

12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.
------------	--

14.	Adjusted prior year total levy. Multiply Line 4 by Line 13 and divide by \$100.	MATH
15.	Taxes refunded for years preceding tax year prior year. Enter the amount of taxes refunded by the district for tax years preceding tax year the prior year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. ⁸	COLL
16.	Adjusted prior year levy with refunds. Add Line 14 and Line 15. ⁹ Note: If the governing body of the school district governs a junior college district in a county with a population of more than two million, subtract the amount of taxes the governing body dedicated to the junior college district in the prior year from the result.	MATH

Line #15 are refunds beginning with **2023 and earlier** tax years

Line #16 is last year's levy adjusted for lost property levy and refunds

17.	<p>Total current year taxable value on the current year certified appraisal roll today. This value includes only certified values and includes the total taxable value of homesteads with tax ceilings (will deduct in line 19). These homesteads include homeowners age 65 or older or disabled. ¹⁰</p> <p>A. Certified values.¹¹ \$ <input type="text"/></p> <p>B. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - \$ <input type="text"/></p> <p>C. Total current year value. Subtract B from A.</p>	CAD
18.	<p>Total value of properties under protest or not included on certified appraisal roll. ¹²</p> <p>A. Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹³ \$ <input type="text"/></p> <p>B. Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives school districts a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties are also not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value not on the roll. ¹⁴ + \$ <input type="text"/></p> <p>C. Total value under protest or not certified. Add A and B.</p>	CAD
		CAD

CAD “discovers” property that should be taxed for **2025**
On June 30, 2025

Step 1. – Notify Property Owner

Step 2. – 30 Day window opens for protest

Step 3. – Window closes on July 29th

Conclusion – This property is neither certified nor under protest on July 25th

19.	Current year tax ceilings. Enter current year total taxable value of homesteads with tax age 65 or older or disabled. ¹⁵	Line 2 is last year's ceilings and Line 19 is this year's ceilings	CAD
20.	Current year total taxable value. Add Lines 17C and 18C. Subtract Line 19.		MATH
21.	Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year. Include both real and personal property. Enter the current year value of property in territory annexed by the school district.		CAD
22.	Total current year taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the school district after Jan. 1, of the prior year, and be located in a new improvement.		CAD
23.	Total adjustments to the current year taxable value. Add lines 21 and 22.		MATH
24.	Adjusted current year taxable value. Subtract line 23 from line 20.		MATH
25.	Current year NNR tax rate. Divide line 16 by line 24 and multiply by \$100.		MATH

Line #25 is levy divided by value to equal the NNR



No-new-revenue

Creates approximately the

same revenue as last year on
properties taxed in both
years.

Used by school districts for
motion making purposes
26.05 (b)

The WORKSHEETS

Calculating the:

Maintenance and Operations Rate (M&O)

Interest and Sinking Rate (Debt)

Pollution Control Rate (if applicable)

Voter-Approval Rate (VAR)

- Maximum Compression Rate (MCR) –the M&O rate needed to receive full Tier One Allotment
- Enrichment Tax Rate (DTR) – From 5 to 17 cents
Tier Two
- Interest & Sinking (Debt) – pay on bonds

Limit on Local Compression

In order to maintain “tax rate equity,” no district may have an MCR less than 90 percent of any other district

The 2024 Maximum MCR **.6855/\$100**

The 2024 Minimum MCR **.6169/\$100**

Texas Education Agency

Tax Year 2024 (School Year 2024-2025)

Final Maximum Compressed Tax Rate (MCR)

August 29, 2024

District Number	District Name	Tax Year 2024 MCR
109901	ABBOTT ISD	0.6169
95901	ABERNATHY ISD	0.6784
221901	ABILENE ISD	0.6390
14901	ACADEMY ISD	0.6169
180903	ADRIAN ISD	0.6855
178901	AGUA DULCE ISD	0.6192
15901	ALAMO HEIGHTS ISD	0.6712
250906	ALBA-GOLDEN ISD	0.6169
209901	ALBANY ISD	0.6566
101902	ALDINE ISD	0.6169
184907	ALEDO ISD	0.6169

Foundation School Program

- Transportation Funding
- Optional Flexible School Day Program
- Optional Flexible Year Program
- Additional State Aid for Ad Valorem Tax Credits: Chapter 313
- Tax Increment Reinvest
- Career & Technology Ed
- State Compensatory Ed
- Staff Salary (repealed)
- High School Allotment (

Excess Local Revenue

Charter School Finance

District & C Planning To

- State Funding Calendar
- Preliminary SY2025-2026
- SY2025-2026 Tax Rate a
- SY2024-2025 (Tax Year
- Tier One & Maximum C SB 12 (87-2)
- 2021-2022 SOF Run ID
- 2022-2023 SOF Run ID
- 2023-2024 SOF Run ID
- 2024-2025 SOF Run ID
- SOF Data Dictionary
- TPAR for SY2021-2022 C Adjustment
- Charter Estimate of Sta
- Schedule of FSP Payments
- FSP Training System

District & Charter Planning Tools

- State Funding Calendar
- Preliminary SY2025-2026 Fast Growth Allotment
- SY2025-2026 Tax Rate and MCR Template
- SY2024-2025 (Tax Year 2024) Final MCRs
- Tier One & Maximum Compressed Tax Rates for SB 12 (87-2)
- 2021-2022 SOF Run ID 42316 Data

What if...

- The district adopts a rate **in excess of** state authorized rate?
 - A tax rate out of compliance with the law **is void**
 - The agency **will reduce state aid** or **adjust recapture**
 - The district may be liable for **other civil remedies** if it fails to appropriately reduce the tax rate.

MCR or Maximum Compression Rate

Since 2020, TEA has published the MCR Tier 1 tax rates for each district.

The rates will vary by district based on the local property value growth rate as compared to the state.



The goal
appears to be
to eventually
eliminate the
Tier 1 M&O
Rate

Enrichment Rate Maximum

Maximum DTR is \$0.17

Compressed down to **\$0.1383** in **2018**

Adding more pennies to maxed-out districts **\$0.0317**

Districts can go to the voters for a TRE

No more compression of the DTR

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
26.	Current year maximum compressed tax rate (MCR). TEA will publish compression rates based on district and statewide property value growth. Enter the school districts' maximum compressed rate based on guidance from TEA. ²⁵	Tier 1 = MCR
27.	Current year enrichment tax rate. Enter the greater of A and B. ²⁶	\$ <input type="text"/> /\$100
	A. Enter the district's prior year enrichment tax rate, minus any required reduction under Education Code Section 48.202(f)	\$ <input type="text"/>
	B. \$0.05 per \$100 of taxable value	\$ <input type="text"/>

Repealed by HB 2

9/1/2025

28.	Current year maintenance and operations (M&O) tax rate. Add Lines 26 and 27. Note: M&O tax rate may not exceed the sum of \$0.17 and the district's maximum compressed rate. ²⁷	Total M & O Rate
-----	---	-----------------------------

2025

LOVEJOY INDEPENDENT SCHOOL DISTRICT



LAST DAY OF EARLY VOTING

Debt tax rate for school districts

Tax Code 26.05 (a) – separate component

Education Code 44.004 (c)(5)(A)(ii)(b) – how to calculate

Education Code 45.001 (2) – “or before”

Education Code 46.001 and 46.032 – IFA and EDA

Debt Rate adoption per the Tax Code

Tax Code Section 26.05 (a)

(a) The governing body of each taxing unit **shall adopt a tax rate** for the current tax year and shall notify the assessor for the taxing unit of the rate adopted...

The tax rate **consists of two components**, each of which must be approved separately. The components are:

...for a school district, the rate calculated under Section 44.004(c)(5)(A)(ii)(b), Education Code;

DEBT RATE

Debt from the Education Code

Education Code Section **44.004(c)(5)(A)(ii)(b)**

in the case of "**Interest & Sinking Fund**," is the tax rate that, when applied to the current taxable value for the district, as certified by the chief appraiser ...

and as adjusted to **reflect changes**... as of the time the notice is prepared,

and when multiplied by the district's **anticipated collection rate**,

would impose taxes in an amount that, when added to **state funds** to be distributed to the district under Chapter 46

and **any excess taxes** collected to service the district's debt during the preceding tax year but not used for that purpose during that year, would provide the amount **required to service the district's debt**;

Debt from the Education Code

Education Code Section 45.001 (2)

Sec. 45.001. BONDS AND BOND TAXES.

(2) levy, pledge, assess, and collect annual ad valorem taxes sufficient to pay the principal of and interest on the bonds as **or before** the principal and interest become due, subject to Section 45.003.

Retire Debt Early

Debt from the Education Code

Education Code Section 46.032

(b) The existing debt tax rate of the district under Subsection (a) may not exceed the rate that would be necessary for the current year, using state funds under Subsection (a), to make payments of principal and interest on the bonds for which the tax is pledged.

IFA or EDA Program Funds from the STATE

Debt LEVIES

TAX CODE SECTION 26.05 (f)

Except as required by the law under which an obligation was created, the governing body may not apply any tax revenues generated by the rate described in Subsection (a)(1) of this section for any purpose other than the retirement of debt.

Debt levy on paid of bond

- School District paid off bond a few years ago
- Continues to receive debt levies from delinquent taxes
- Creates account with those levies for future debt



29. Total current year debt to be paid with property tax revenue.

Debt means the interest and principal that will be paid on debts that:

- (1) Are paid by property taxes;
- (2) Are secured by property taxes;
- (3) Are scheduled for payment over a period longer than one year; and
- (4) Are not classified in the school district's budget as M&O expenses.

A. **Debt** includes contractual payments to other school districts that have incurred debt on behalf of this school district, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended de

Enter debt amount:

B. Subtract **unencumbered fund amount** used to reduce total debt.

C. Subtract **state aid** received for paying principal and interest on debt for facilities through the existing debt allotment program and/or instructional facilities allotment program.

D. **Adjust debt:** Subtract B and C from A.

Debt Amount

GB

Unencumbered

GB

State Aid

GB

30. Certified prior year excess debt collections. Enter the amount certified by the collector. ²⁹

Excess Debt

COLL

31. Adjusted current year debt. Subtract line 30 from line 29D.

MATH

32. Current year anticipated collection rate. If the anticipated rate in A is lower than actual rates in B, C and D, enter the lowest rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. ³⁰

A. Enter the current year anticipated collection rate certified by the collector. ³¹ %

B. Enter the 2024 actual collection rate %

C. Enter the 2023 actual collection rate %

D. Enter the 2022 actual collection rate %

COLL


33. Current year debt adjusted for collections. Divide Line 31 by Line 32.

Note: If the governing body of the school district governs a junior college district in a county with a population of more than two million, add the amount of taxes the governing body proposes to dedicate to the junior college district in the current year to the result.


MATH

34. Current year total taxable value. Enter the amount on Line 20 of the *No-New-Revenue Tax Rate Worksheet*.

WRKSH

 **Current year debt rate.** Divide Line 33 by Line 34 and multiply by \$100.

MATH

**Line #35 matches Education Code
(44.004(c)(5)(A)(ii)(b) and Tax Code 26.05 (a) **

36. Current year voter-approval tax rate. Add Lines 28 and 35.

If the school district received distributions from an equalization tax imposed under former Chapter 18, Education Code, add the NNR tax rate as of the date of the county unit system's abolition to the sum of Lines 28 and 35.³²

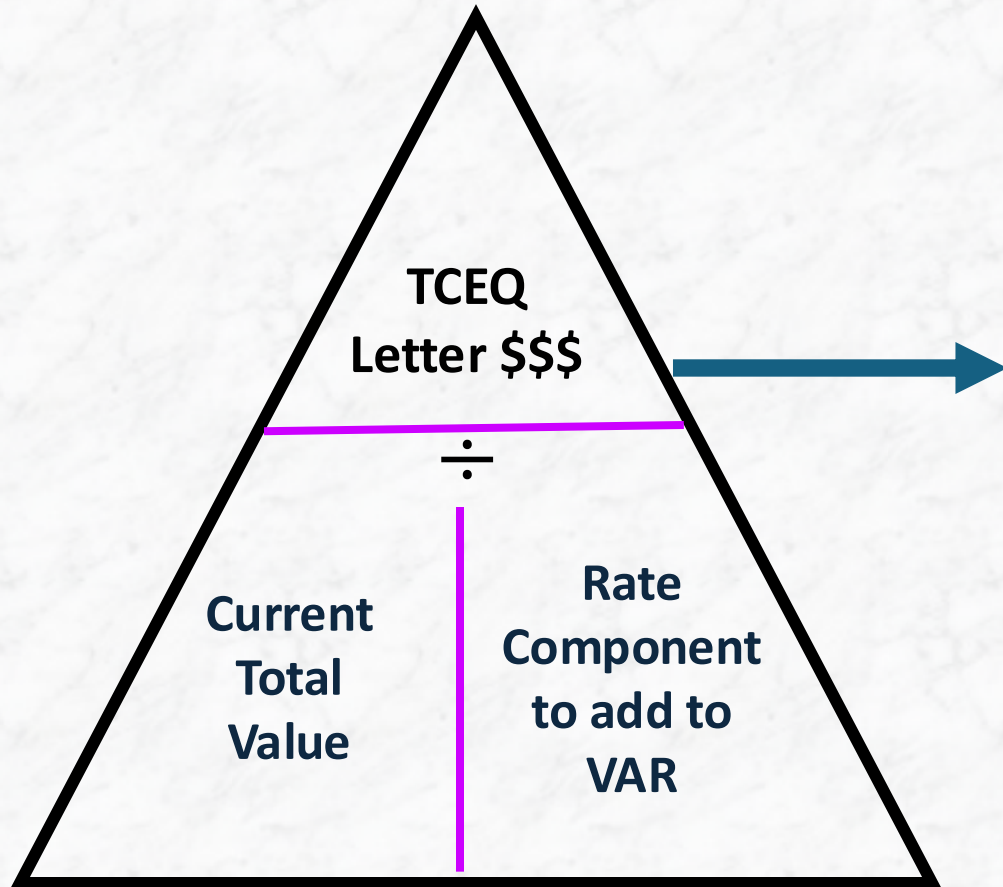
MATH

- Voter-Approval Rate
- Any rate above this requires a TRE unless a disaster rate is used
- Not adjusted for pollution control

Pollution Control Rate



Pollution Control Rate



- Voter-approval Rate
- + Pollution Control rate
- = Voter-approval rate adjusted for pollution control

SECTION 4: Voter-Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

The taxing unit must provide the assessor with a copy of the **TCEQ** letter that states:

- The portion of the cost of installation
- For pollution control

Line 37 – Letter from TCEQ with Amount Certified

Line 38 – Value from Worksheet

Line 39 – **Math** – (Divide Amount from Letter by Value times 100 equals Rate)

Line 40 – **Math** – Add Rate to applicable VAR

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	A
37.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ³³ The school district shall provide its tax assessor with a copy of the letter. ³⁴	\$ <input type="text"/>
38.	Current year total taxable value. Enter the amount on Line 20 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ <input type="text"/>
39.	Additional rate for pollution control. Divide line 37 by line 38 and multiply by \$100.	\$ <input type="text"/>
40.	Current year voter-approval tax rate, adjusted for pollution control. Add line 36 and line 39.	\$ <input type="text"/>

The Texas Commission on Environmental Quality (TCEQ, agency, commission)

proposes amendments to §§18.2, 18.10, 18.15, 18.25, 18.30, and 18.35. The commission also proposes new §18.26.

Background and Summary of the Factual Basis for the Proposed Rules

The commission proposes amendments to Chapter 18 to implement 2007 legislation, perform the required review of property on the Tier I Table and Expedited Review List, and make various editorial or administrative changes within the chapter for the rollback tax relief program.

SECTION 6: School District Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the school district. By signing below, you certify that you are the designated officer or employee of the school district and have calculated the tax rates in accordance with requirements in Tax Code and Education Code.³⁸

print
here ➡

Printed Name of School District Representative

sign
here ➡

School District Representative

Date

Enter the name of the person preparing the tax rate as authorized by the governing body of the school district.

By signing below, you certify that you are the **designated officer or employee** of the school district and have calculated the tax rate in accordance with the requirements of the Tax Code and Education Code.



Voter-Approval Rate

An adopted tax rate that exceeds the VAR will have an **automatic election***

*unless there is a disaster

The Rates in general

TEA only goes out **four decimal** places then truncates the results

Most ISDs are only using four decimal places



Notice of Public Hearing

Education Code Section 44.004

Notice of Public Hearing

WARNING

School Districts

- 50-280, Notice of Public Meeting to Discuss Budget and Proposed Tax Rate (PDF)

Not for JULY 1 School Districts

Notice about the Budget and Proposed Rate

No more than **30** no less than **10** days before meeting

Quarter-page ad

Headline 18 pt. type or larger

Comptroller Form **50-280**

NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

The (name of school district) will hold a public meeting at (time, date, year) in (name of room, building, physical location)

(city, state) **The purpose of this meeting is to discuss the school district’s budget that will determine the tax rate that will be adopted. Public participation in the discussion is invited.**

The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice.

Maintenance Tax	\$ <input type="text"/> /\$100 (Proposed rate for maintenance and operations)
School Debt Service Tax	
Approved by Local Voters	\$ <input type="text"/> /\$100 (proposed rate to pay bonded indebtedness)

Notice of Voter-Approval Rate: The highest tax rate the district can adopt before requiring voter approval at an election is (school voter-approval rate). This election will be automatically held if the district adopts a rate in excess of the voter-approval rate of (school voter-approval rate).

Fund Balances

The following estimated balances will remain at the end of the current fiscal year and are not encumbered with or by a corresponding debt obligation, less funds necessary for operating the district before receipt of the first state aid payment:

No Tax Swap

Maintenance and Operations Fund Balance(s)	\$	
Debt Sinking Fund Balance(s)	\$	

A school district may not increase the district’s maintenance and operations tax rate to create a surplus in maintenance and operations tax revenue for the purpose of paying the district’s debt service.

Action on violations

- Investigate (could take years)
- Develop Corrective Action Plan
- **TEA Will Post Names of Violators**
- May Reduce Entitlement Funds





Calendar of Events

Complying with the
Education Code

Tax Code


Election Code

Government Code

Deadlines and Guideline Dates



April 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		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 			
Certified Estimate From CAD						

Free calendar provided and created by [handy-calendars.com](https://www.handy-calendars.com)

No federal holidays this month

This is especially useful for a **July 1** school district to prepare the required notice

April 30th certified estimate shows trend

May 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				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

Free calendar provided and created by hardykalendars.com

— **July 1** school districts will need to publish notice sometime in May or June

No more than 30 or less than 10 days before hearing

June 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19 Juneteenth	20	21
22	23	24	25	26	27	28
29	30 					

Deadline for July 1 ISD to Adopt Budget

This means a **July 1** ISD must ADOPT its BUDGET but...

Cannot adopt a TAX RATE until after receiving the MCR from TEA in AUGUST

May NOT HAVE TO republish notice

Education Code 44.004 (i)

*If adopted rate exceeds **published proposed rate or voter-approval rate***

(i) A school district that **uses a certified estimate**, as authorized by Subsection (h), may adopt a budget at the public meeting designated in the notice prepared using the estimate, but the district **may not adopt a tax rate before the district receives the certified appraisal roll** for the district required by Section 26.01(a), Tax Code. After receipt of the certified appraisal roll, the district **must publish a revised notice** and hold another public meeting before the district may adopt a tax rate **that exceeds:**

(1) the **rate proposed in the notice** prepared using the estimate; **or**

(2) the **district's voter-approval rate** determined under Section 26.08, Tax Code, **using the certified appraisal roll.**

July 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4 Independence Day	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25 	26
27	28	Certified Value or Estimated Certified Value				





Free calendar provided and created by handycalendars.com

DOE can begin
rate calculations

July 25th values
are usually very
different from April
30th values

District actually
has until **Sept.
29th to adopt rate
(or 60 days)**

August 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
TEA Publishes Preliminary MCR						
Anticipated Collection Rate and Excess Collections						9
						
10	11	12	13	14	15	16
Submit calculated rates to governing body						
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31	Deadline for Sept 1 school to adopt Budget (Most ISDs also adopt TAX RATE by this date)					
						

Free calendar provided and created by [handy-calendars.com](https://www.handy-calendars.com)

No federal holidays this month

Collector certifies
Anticipated
Collection Rate
and Excess
Collections

TEA publishes
Preliminary MCR
rates

DOE submits rates
to governing body

Sept 1 ISDs must
adopt BUDGET

September 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 Labor Day	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				

Free calendar provided and created by [handycalendars.com](https://www.handycalendars.com)

By Sept. 30
deadline for tax
rate adoption

Assessor may
have a different
date

Deadline set by tax assessor

Deadline to adopt tax rate (even July 1 school districts)
districts have
this deadline


October 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 	2		
5	6	7	8	9	10	11
12	13 Columbus Day	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

**Mail Tax Bills
(Unless waiting until after election)**

Free calendar provided and created by handy-calendars.com

November 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	<div>Uniform Election Day To hold Tax Ratification Election And to DECIDE EXEMPTION AMENDMENTS</div>			
						
9	10	11 Veterans Day				
16	17	18	19	20	21	22
23	24	25	26	27 Thanksgiving Day	28	29
30						

Free calendar provided and created by handycalendars.com



A Few Bits and Pieces

Tax year and fiscal year

- TY = Tax year (Jan 1 to Dec 31 is TY 2025)
-

- FY = Fiscal year (July 1 to June 30 is FY 2026)

or

(Sept 1 to Aug 31 is FY 2026)

- TY 2025 aligns with FY 2026 or 2025-2026

Omar Garcia
ogarcia@bokf.com
512-565-7005



While employed at the Texas Education Agency (where he worked for over 28 years) in the Division of State Funding, he became an expert on the use of technology to audit and estimate a school district's state aid and anticipated overall revenues, a necessary component to producing annual budgets. This expertise led Garcia to develop one of the first widely used electronic templates to help public school personnel estimate state aid for use in school budgets. Today, this trusted tool is used by every Texas district regardless of wealth or size.



Economic Development

JOBS, ENERGY, TECHNOLOGY AND INNOVATION ACT (JETI)

JETI was created with the passage of [House Bill 5](#) (88th Legislature, Regular Session) and aims to help Texas stay competitive by attracting new jobs and investment to the state.

The JETI program enables a company, school district and Governor's office to enter into an agreement for a 10-year school district maintenance and operations (M&O) tax appraised value limitation pursuant to statutorily mandated job creation and investment minimums.

Applications may be submitted beginning Jan. 18, 2024.

[View the effective rules](#) on the Secretary of State's website.

School Districts

Must use uniform election date

First Tuesday in November after the 1st Monday

Must conduct an Efficiency Audit

When a disaster is declared, requirement is waived

Efficiency Audit

- (b) ... the board ... shall conduct an efficiency audit before seeking **voter approval** to adopt a tax rate ...and **may not** hold **the election** without complying with this section.
- (d) The board ...must select an auditor to conduct an efficiency audit ...not **later than four months before** ...an election to adopt a maintenance and operations tax rate.
- (e) The board ... may select ...the auditor that conducts the district's annual audit ...and may include the efficiency audit as part of the district's annual audit.
- (h) Before an election ... the board ... must hold an open meeting to discuss the results of the efficiency **Not later than 30 days before the date of the election**, the results of an efficiency audit conducted under this section must be posted on the school district's Internet website.

School Districts

Must use uniform election date

First Tuesday in November after the 1st Monday

Must conduct an Efficiency Audit

When a disaster is declared, requirement is waived

Bond Election Ballot Language

“THIS IS A PROPERTY TAX INCREASE”

SCHOOLS

Different
Dates and
Values

July 1 fiscal year

Adopts budget by June 30

Sep 1 fiscal year

Adopts budget by Aug 31

Chapter 313 or JETI

Do you have one?



New Laws
89th Regular Session
Texas Legislature

Are you ready?

89th Legislative Session is over... NOT

Question:
How long does the Governor have to veto legislation?

Answer:
The Governor has **20 days** after final adjournment to consider bills received in the final ten days (not counting Sundays) of the session.

House Bills

- **HB 2 – Enrichment Rate**
- **HB 30 - Disasters**
- **HB 103 – Database showing minimum debt**
- **HB 3093 – Coastal Cities**



House Bills

2 – Enrichment Rate

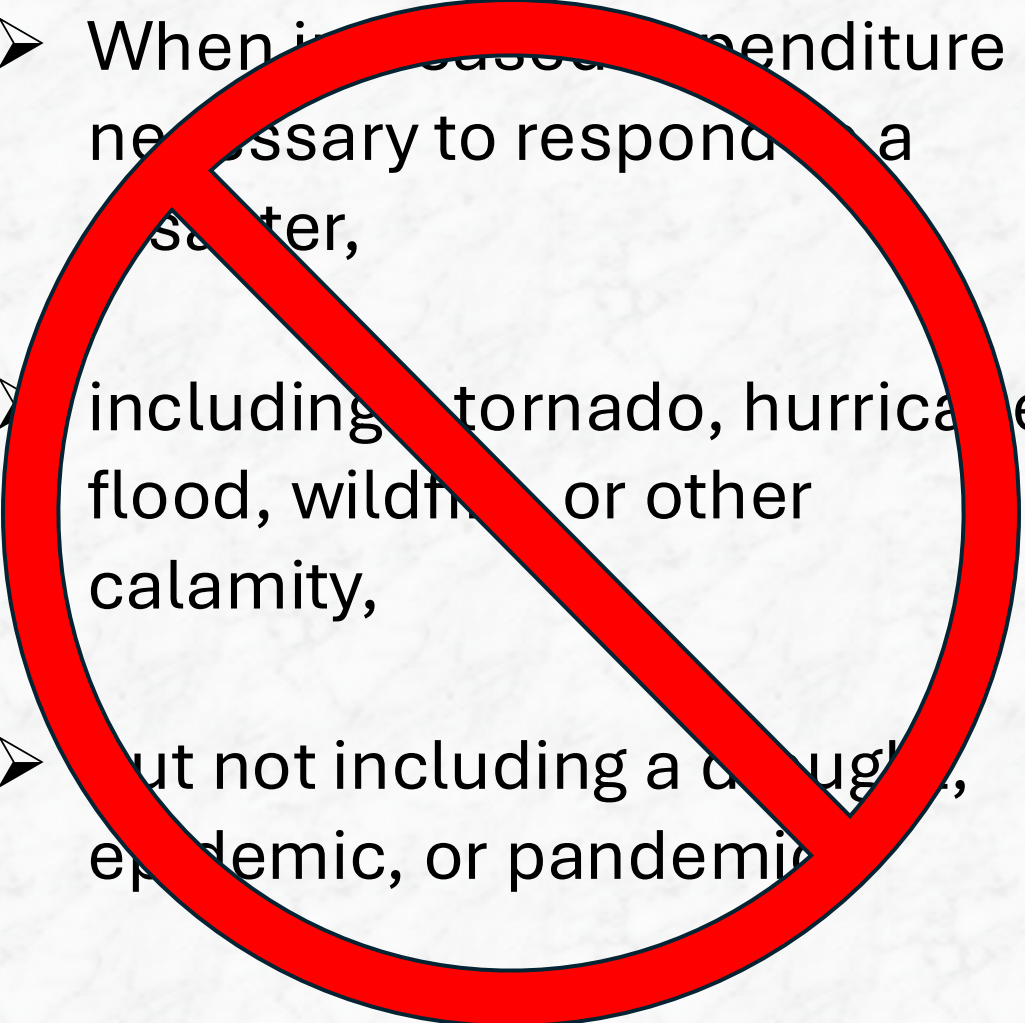
- **Unintended consequences** – modify dates relating to the adoption of the district's M&O rate and if applicable an election
- **Repeals** reduction of Enrichment Rate for certain circumstances (**see Line 27A**)
- **Effective 9/1/2025**

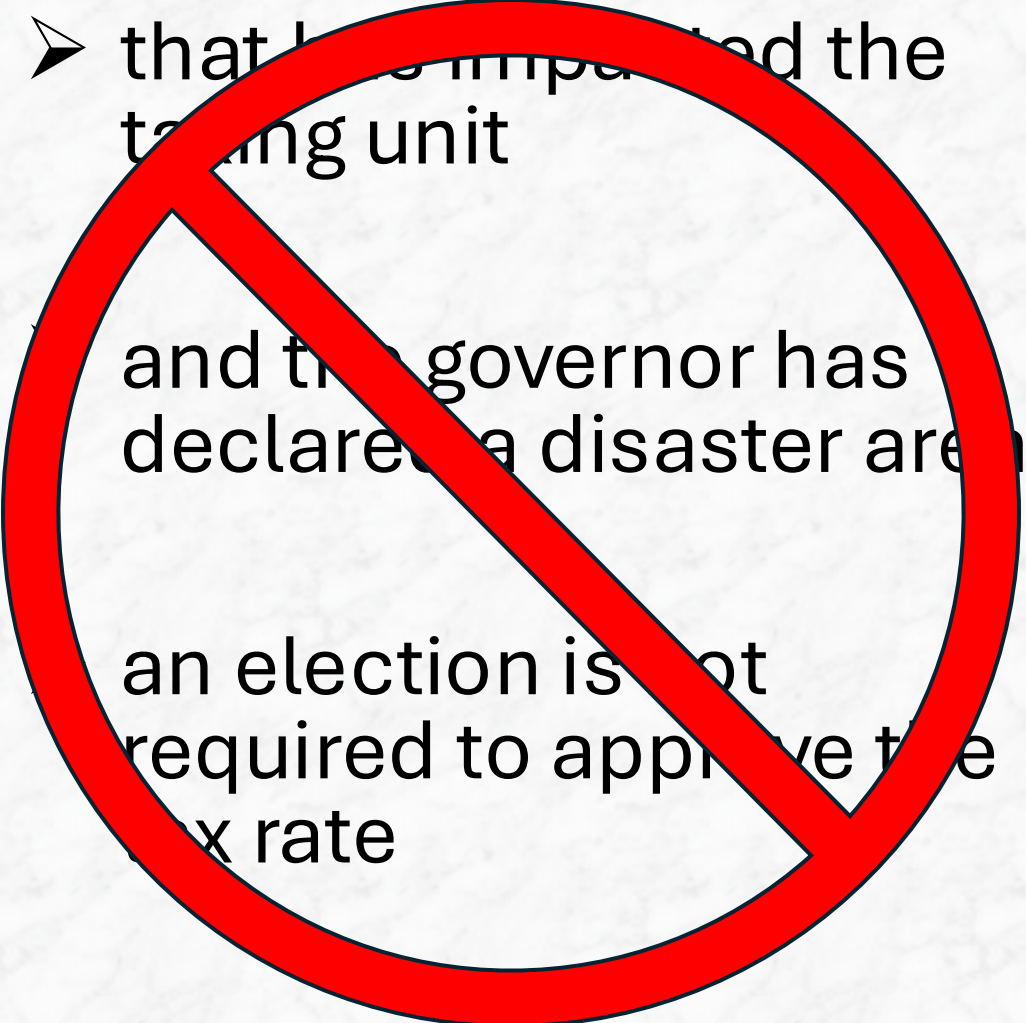
HB 30 - Eff. **1/1/2026**

- Disaster relief cost defined in detail
- **Disaster Relief Rate** defined
- Comparison of Disaster Relief Rate and Special Taxing Unit Rate
- Report to Texas Division of Emergency Management

Signed by the Governor

26.042 (d) Repealed

- 
- When in cases where expenditure is necessary to respond to a disaster, including tornado, hurricane, flood, wildfire or other calamity,
 - but not including a drought, epidemic, or pandemic

- 
- that has impacted the training unit
 - and the governor has declared a disaster area
 - an election is not required to approve the tax rate

House Bills

HB 103 – State Database showing Minimum Debt

(G) an estimate of the minimum dollar amount required to be spent annually for debt service resulting from the issuance of a bond;

Effective 9/1/2025

Database available after 1/1/2026

House Bills

HB 3093 - Comptroller addendum to forms

Definitions added

- Affected taxing unit
- Anticipated substantial litigation
- Associated business entity
- Contested taxable value
- Current year taxable value
- Uncontested taxable value

Effective Immediately

Counties with populations below 500,000 on the Gulf of Mexico

- 1. Cameron-421,017**
- 2. Brazoria – 372,031**
- 3. Nueces – 353,178**
- 4. Galveston – 350,682**
- 5. Jefferson – 256,526**
- 6. San Patricio – 68,755**
- 7. Chambers – 46,571**
- 8. Matagorda – 36,255**
- 9. Kleberg – 31,040**
- 10. Aransas – 23,830**
- 11. Willacy – 20,164**
- 12. Calhoun – 20,106**
- 13. Jackson – 14,988**
- 14. Refugio – 6,741**
- 15. Kenedy – 350**



Senate Bills

➤ **4 – School Homesteads (\$140,000)**

➤ **23 – School OA/DP (\$60,000)**

➤ **1023 – Hyperlink**

➤ **1025 – Ballot**

➤ **1062 – Digital Newspaper**

➤ **1453 – School Debt**

➤ **1502 – Failed TRE**



SB 4

- TEA will calculate MCR based on exemption passing
- Chief appraiser includes a provisional appraisal roll to assessor
- DOE Calculates rates as if changes in the law are currently in effect
- 26.09 (c-1) Assessor calculates taxes both ways

Eff. Before Election 🤔

\$140,000 Homestead Ex.

SB 23

- TEA will calculate MCR based on OA/DP exemption passing
- Chief appraiser includes a provisional appraisal roll to assessor
- DOE Calculates rates as if changes in the law are currently in effect
- 26.09 (c-1) Assessor calculates taxes both ways

Eff. Before Election

\$60,000 OA and DP Ex.

SB 1998 – 88th Regular Session

Bill: SB 1998

Legislative Session: 88(R)

Last Action:

06/15/2023 E Vetoed by the Governor

Caption Version:

Enrolled

Caption Text:

Relating to the calculation of certain ad val

Author:

Bettencourt

Sponsor:

Shine

Subjects:

Taxation--Property-Assessment & Collect
Taxation--Property-Tax Rate (I0794)
COMPTROLLER OF PUBLIC ACCOUNTS (V2)

Senate Committee:

[Local Government](#)

Status:

Out of committee

Vote:

Ayes=9 Nays=0 Present Not Voting=0 Absent=0

House Committee:

[Ways & Means](#)

Status:

Out of committee

Vote:

Ay

Vetoed by the Governor June 15, 2023

Actions: (descending date order)

Viewing Votes: [Most Recent House Vote](#) | [Most Recent Senate Vote](#)

	Description	Comment	Date ▼	Time	Journal Page
E	Vetoed by the Governor		06/15/2023		3309
E	Sent to the Governor		05/29/2023		3308
H	Signed in the House		05/29/2023		6486



SB 1023 Eff. 1/1/2026

“be capable of including a hyperlink to a document that evidences the accuracy of each entry included in the form, other than an entry making a mathematical calculation”

Sec. 26.03. TREATMENT OF CAPTURED APPRAISED VALUE TAX INCREMENT

- “calculated separately for each reinvestment zone
- On forms prescribed by the Comptroller’s office

Signed by the Governor

ELECTION CODE 52.072 (e)

Concerning ballots for tax rate elections

“be printed in mixed-cased typewritten letters”

**Include the statement:
THIS IS A TAX INCREASE**

Eff. 9/1/2025

Signed by the Governor

Senate Bills

- **SB 1062 Newspaper**
- May publish notice in lieu of regular newspaper
- Digital Newspaper with certain requirements

Eff. Immediately



SB 1453 Eff. 1/1/2026

Tax Code

Definition

Current debt service...

Minimum dollar amount

Debt tax rate

Adoption of higher than

Minimum debt rate

60% in favor

Must re-calculate VAR

SB 1502

26.042 disaster for schools

Added (e-1)

- (e-1)...a school district **may not** adopt a tax rate under **Subsection (e)**...
 - (1) the (district) previously adopted a tax rate that exceeds the VAR;
 - (2) an election was held under **Section 26.08**;
 - and
 - (3) the proposition ... **was not approved** by the voters

Signed by the Governor

Eff. 1/01/2026

- **HB 1522 Eff. 9/1/2025**

- **Budget Posting** requirements
- 72-hour notice replaced with 3 business days
- Compare median valued homestead taxes
- PROPOSED tax rate and NO-NEW-REVENUE tax rate

Important Stuff



We need backup when calculating rates

- Have fresh eyes check work
- Involve more staff

We need to communicate with...

- Appraisal District
- Governing Body

We need to **get it in writing!!**

We need a **TEMPLATE RECAP SHEET** from the CADs



TRUTH IN TAXATION



Questions?
Connie Rose

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