

Explanatory Notes

TASB Localized Policy Manual Update 91

CCG (LEGAL) LOCAL REVENUE SOURCES
AD VALOREM TAXES

In the Note on page 1, we have added a link for easy access to the comptroller's Web site.

In addition, several bills affected this legally referenced policy:

- SB 1 (First Called Session) provides that if a district has a DECREASE IN DEBT SERVICE RATE after the publication of the required notice of the budget and tax rate meeting, the board president is not required to post another notice or call another meeting to discuss and adopt the budget and the proposed lower rate. A conforming change requires the TAX RATE to be based on the *calculated* rather than the *published* debt service rate. See page 3.
- HB 360 requires a PROPOSITION submitted to the voters for imposition of a new tax or a tax increase to state the amount of the tax or the maximum tax rate.
- SB 100 changed the deadline for a district to make a CALL FOR ELECTION on the November uniform election date to the 78th day before election day rather than the 70th day. However, for an election held on a uniform election date other than the November date, the election must be called not later than the 71st day before election day. See page 5. Please note that these provisions from SB 100 are not applicable to November 2011 elections.
- Each year after the district adopts a tax rate, it must provide information related to the tax rate to the county assessor-collector for each county in which any part of the district is located for posting on the county's Web site. This change at TAX INFORMATION TO COUNTY beginning on page 5 is from HB 2338.
- At RESCISSION on page 6, HB 2169 authorizes a board to rescind a tax discount previously adopted by the board.
- HB 499 allows a district to collect ADDITIONAL PENALTIES on delinquent taxes. See page 9.
- HB 2853, SB 627, and SB 1 (First Called Session) amended the Tax Increment Financing Act as reflected at REINVESTMENT ZONES/TAX INCREMENT FINANCING beginning on page 11. HB 2853 removes provisions requiring notice to the district and the opportunity to comment prior to the designation. An existing provision on when a county or municipality may designate a reinvestment zone was added in its place. The bills change provisions on appointing membership to the zone board and collection and deposit of tax increments.
- SB 1 (First Called Session) amended the tax exemption for GOODS-IN-TRANSIT, reflected on page 13. To tax goods-in-transit, a district must take official action on or after October 1, 2011, even if the district had previously taken action to provide for the taxation.

Existing statutory text was added at NOTICE OF OPTIONAL EXEMPTION on page 11. This provision requires a district to notify the appraisal office of exemptions within 30 days of adopting, amending, or repealing an exemption.

Citations were updated throughout, and we deleted a provision about split payment of taxes that applies only to districts in Galveston County.

CDA (LEGAL) OTHER REVENUES
INVESTMENTS

HB 2226 made several changes to district investment provisions.