

SB 2 Summary Text

Legislative Session: 86(R)

Senate Bill 2

Effective: See below

Senate Author: Bettencourt et al.

House Sponsor: Burrows et al.

Senate Bill 2, the Texas Property Tax Reform and Transparency Act of 2019, amends session law and the Tax Code, Government Code, Health and Safety Code, Local Government Code, Special District Local Laws Code, and Water Code to revise the manner by which the property tax rates of a taxing unit, other than a special taxing unit as defined by the bill, are set by:

- reducing the amount that the property tax revenue collected may increase year over year from eight percent to 3.5 percent;
- requiring voter approval of an adopted tax rate that exceeds that 3.5 percent cap;
- providing for the imposition of an amount of taxes equal to \$500,000 before that cap applies; and
- providing for the rollover of unused revenue growth below the cap for up to three years.

Senate Bill 2 renames the rollback tax rate the voter-approval tax rate and renames the effective tax rate as the no-new-revenue tax rate. The bill provides for a tax rate adjustment for qualifying county indigent defense compensation expenditures and eligible county hospital expenditures.

Senate Bill 2 sets out and revises certain property tax notice requirements and provides for the delivery of certain of those notices by email. The bill sets out

