



2014 Tax Ratification Election Information and Timelines

This memo outlines relevant deadlines and procedures for holding a tax ratification (rollback) election (TRE) in 2014, both for districts using the early tax rate adoption process and districts adopting budgets and tax rates on the traditional timeline. Information in this document should be used in conjunction with TASB Legal Services' guides on budget and tax rate adoption.¹ Please note that the dates included in the TRE timelines are provided as a guide and starting point for district planning purposes. The district should review its final TRE calendar with local counsel to ensure accuracy.

Background Information

Truth-in Taxation Guide: The Texas Comptroller includes guidance about TREs in its website, *Truth-in-Taxation: A Guide for Setting School District Tax Rates*.² This publication includes information on TRE procedures and sample notice and ballot forms. Please review the Comptroller's *Guide* before preparing the necessary documents.

What is a TRE? Texas law requires school districts to calculate two tax rates—the effective tax rate and the rollback tax rate—after the district receives the certified appraisal roll or certified property value estimates from the chief appraiser. Generally, if a school board adopts a tax rate above its rollback tax rate, it must hold an election to ratify that rate. If a majority of the votes cast in the election favor the proposition, the tax rate for the current year is the rate adopted by the board. If the proposition is not approved, the board may not adopt a rate higher than the rollback rate.³ The board need not conduct another adoption process if it uses the rollback rate.

When is a TRE *not* required to adopt a rate higher than the rollback rate? In some circumstances, a district that has reduced its maintenance and operations (M&O) rate one year may be able to raise its M&O rate in the subsequent year without conducting a TRE. If a district's adopted M&O tax rate for the prior year was less than its effective M&O rate for that preceding year, then the district's current-year rollback tax rate will be calculated as if its prior-year adopted M&O rate were equal to its prior-year effective M&O rate. Also, in some situations where an increased tax rate is due to disaster recovery expenses, an election may not be required.

When can a TRE be held? A TRE must be conducted 30-90 days after the date the tax rate is adopted. If the November 4, 2014, uniform election date falls within the 30-90 day period, a district must hold the TRE on the uniform election date. Consequently, a school district hoping to hold a TRE prior to the November general election should begin planning as soon as possible.

¹ www.tasb.org/Services/Legal-Services/TASB-School-Law-eSource/Business/documents/adopt_budget_tax_early_apr14.pdf; www.tasb.org/Services/Legal-Services/TASB-School-Law-eSource/Business/documents/adopt_budget_tax_traditional_apr14.pdf.

² www.window.state.tx.us/taxinfo/proptax/tnt/school-districts.html.

³ Tex. Tax Code § 26.08(d).

Early Tax Rate Adoption Process & Timeframes

Districts may take advantage of the option to adopt tax rates using certified estimates of property values. This process is referred to as *early tax rate adoption*. For detailed information on the process of adopting the district's tax rate and budget under this process, please refer to the TASB Legal Services Guide on [Adoption of Budget & Tax Rates—Early Tax Rate Adoption](#).⁴

Please be advised that the dates provided below are merely a sample of the dates a district may use to adopt an early tax rate and conduct a TRE. Be sure that your district verifies each date or timeframe with the actual dates of adoption by the district and adjusts any dates accordingly.

Estimate of tax value: Appraisal districts are required to prepare and certify an estimate of taxable property value to school districts by **April 30**.⁵

Notice of tax rate: If a district wishes to adopt its tax rate at the earliest date possible, notice for the tax adoption meeting should be posted by at least **May 1, 2014**.

- **Note:** A district using the early tax rate adoption process must publish [notice](#)⁶ and hold a public meeting for the purpose of discussing the proposed tax rate. The notice to discuss the proposed tax rate should be published not earlier than 30 days or later than 10 days prior to rate adoption.⁷

Adoption of tax rate: Adoption of the tax rate may be accomplished as early as **May 12, 2014** if the district has complied with the notice requirements described above and agenda posting requirements under the Open Meetings Act.

- Upon receipt of the certified estimate, a school district using the early adoption process may choose to adopt a tax rate before the budget and before receipt of the certified appraisal roll, which is released on July 25.⁸
- **Note:** May 12 is the first *business day* closest to the **10 day posting period** that a board can meet to hold the open meeting to adopt the tax rate. The 10th day from May 1 is actually Sunday, May 11. A school board may decide to conduct its open meeting to adopt the tax rate on that date; however, keep in mind that May 11, 2014 is a Sunday and may not be a convenient day to convene a board meeting. If your district does hold the adoption meeting on May 11 however, be sure to adjust any other timeframes accordingly.
- For districts using the early tax rate adoption process the district will have to publish a second notice and hold a second public meeting regarding adoption of the budget after the adoption of the tax rate and TRE. For specific information on the publication

⁴ www.tasb.org/Services/Legal-Services/TASB-School-Law-eSource/Business/documents/adopt_budget_tax_early_apr14.pdf.

⁵ Tex. Tax Code § 26.01(e).

⁶ Notice Requirements: www.window.state.tx.us/taxinfo/proptax/tnt/school-districts.html.

⁷ We note that districts with a September 1 fiscal year may also use the certified estimates in preparing budgets and tax rate hearing notices. The notice for these districts can also be found in the *Truth-in-Taxation Guide*, available at: www.window.state.tx.us/taxinfo/proptax/tnt/school-districts.html.

⁸ Tex. Tax Code § 26.01(a).

requirements for these notices, please refer to the TASB Legal Services Guide on Adoption of Budget & Tax Rates—Early Tax Rate Adoption.

Order a TRE: A TRE may be ordered on May 12, 2014 at the same meeting held to adopt the tax rate as long as both actions—ordering the election and adopting the tax rate—are included as separate items in the posted agenda.

- Districts using the early tax rate adoption process are authorized to order a TRE with as few as 30 days notice, after the adoption of the tax rate.⁹ Notice of the TRE must be provided to the county clerk of each county in which the school district is located no later than the 30th day before the rollback election day.¹⁰ All other election requirements and deadlines are the same as those for traditional TREs. Be sure to work with your local counsel to calculate timeframes and deadlines if your rollback election will be held on a non-uniform election date.

Conduct & canvass a TRE: The earliest date the district may hold the TRE is on **June 11, 2014** if the election is ordered as indicated above on May 12, 2014. Canvassing for that election may occur as early as **June 19, 2014** (8 days after election day).

- A TRE must be held within 30-90 days after the date of the tax rate adoption. After conclusion of the TRE, the district must canvass the election returns in accordance with election procedures.¹¹
- **Note:** Counties may be conducting runoff primary elections on May 27, 2014 due to the primary elections held on March 4, 2014. This may affect availability of electronic voting systems. It is important that the district communicate its intent to conduct a TRE with the county as soon as possible to secure the use of electronic voting systems.

The final tax rate: After the tax rate is adopted by the board and ratified by the voters, the assessor will calculate the tax imposed on each property included on the appraisal roll, enter the amount of tax in the appraisal roll and submit it to the school board for approval. If voters do not ratify the adopted tax rate, the district may not adopt a tax rate that exceeds the rollback rate.¹² The appraisal roll with the amounts of tax entered as approved by the school board constitutes the district's tax roll.

Submit final tax information: Additionally, each taxing unit located wholly or in part in a county must provide the adopted tax rate, M&O rate, the debt rate, effective tax rate, effective maintenance and operations tax rate, and the rollback rate to the county assessor-collector following the adoption of the tax rate. The county assessor-collector is required to publish this information in the form of a table on the county's website, if the county maintains a website.¹³

⁹ Tex. Elec. Code § 3.005(d).

¹⁰ Tex. Elec. Code § 4.008(b).

¹¹ Tex. Elec. Code § 67.003(a).

¹² Tex. Tax Code § 26.08(d).

¹³ The title of the publication is referred to as "Truth in Taxation Summary." In addition to the publication of the tax rates, the county assessor-collector will publish the definitions for each of the varying taxes. Tex. Tax Code § 26.16.

Traditional Tax Rate Adoption Process & Timeframes

The following information pertains specifically to districts adopting their tax rates under the traditional method after receiving the certified appraisal roll from the appraiser. For detailed information on the process of adopting the district's tax rate and budget under this process, please refer to the TASB Legal Services Guide on [Adoption of Budget & Tax Rates—Traditional Method](#).¹⁴ The timeframes and deadlines provided below are only a sample of possible dates to execute specific tasks. Each district should verify its specific TRE timeframes and deadlines with local counsel.

Certified appraisal roll: Chief appraisers must provide the certified appraisal roll to school districts by **July 25**.¹⁵

Notice of tax rate: If a district wants to adopt the tax rate at the earliest date possible, notice should be published by **July 26, 2014**. Please note that this date falls on a Saturday. The district may need to verify circulation of the newspaper within the district on Saturday.

- The [notice](#)¹⁶ to discuss the proposed tax rate should be published not earlier than 30 days or later than 10 days prior to rate adoption. For more specific information on publication of this notice, please refer to the TASB Legal Services Guide on Adoption of Budget and Tax Rates—Traditional Method.

Adoption of tax rate: The earliest date a district may adopt its tax rate is **August 5, 2014**, if notice is published on July 26.¹⁷

- After receipt of the certified appraisal roll, the administration will calculate the proposed tax rates and the school board will adopt the tax rate at a properly posted meeting in accordance with the Open Meetings Act¹⁸ and in accordance with notice provisions detailed above.
- **Note:** The budget and tax rate topics may be discussed at the same public meeting; however, the adoption of the budget must come before the adoption of the tax rate.
- Adopting a tax rate after August 6 will put the November 4 uniform election day in the 30-90 day window, requiring a district to hold its TRE on the November uniform election date with the county.

Order a TRE: If a district orders the TRE at the same meeting as the adoption of the tax rate, the district may order the election as early as **August 5, 2014**. If a district orders the TRE on this day or at the latest, August 6, it will not be required to conduct the TRE on the November uniform election day.

¹⁴ www.tasb.org/Services/Legal-Services/TASB-School-Law-eSource/Business/documents/adopt_budget_tax_traditional_apr14.pdf.

¹⁵ Tex. Tax Code § 26.01(a).

¹⁶ Notice Requirements, available at: www.window.state.tx.us/taxinfo/proptax/tnt/school-districts.html.

¹⁷ Ordering a TRE by August 5th will ensure that the district's election can be held on a date other than the November 4 uniform election date thereby, allowing the district to hold the TRE on its own and not in conjunction with a county or municipal election held on November 4th.

¹⁸ Notice of a public meeting must be posted at least 72 hours before the meeting. Tex. Gov't Code § 551.043(a).

- The legal deadline to order a TRE depends on the date the election will be held. For an election held on the November 4, 2014, uniform election date, the election must be ordered at least 78 days prior to election day.¹⁹ Districts following the traditional adoption method and adopting the tax rate based on the certified tax roll are *not allowed* to order a rollback election with as few as 30 days notice, as is the case with early adoption districts.
- Note that the “blackout period” in Texas Election Code section 41.001(c) does not apply to school district TREs. Since the blackout period does not apply to TREs, a district may hold an election any time before or after November 4, 2014, in accordance with Texas Tax Code section 26.08(b). Districts that want to conduct their TRE before or after the November uniform election date *must order the TRE at least 62 days before it is held.*²⁰
- A word of caution for districts attempting to conduct a TRE around the time of a uniform election—availability of accessible voting systems may be scarce due to the fact that any available accessible voting systems will be occupied for some time prior to the election and after the election by counties and other political subdivisions conducting early voting and election day procedures.
- If the district adopts its tax rate after August 6, the TRE must be held on the November uniform election date. In this instance, the deadline to order the TRE to be held on the November 4 uniform election date is **August 18, 2014**. Districts that will have their TRE on the November uniform election date should refer to the Texas Secretary of State’s [election calendar](#) for election information.²¹

Conduct a TRE: The following dates are provided as a guide and sample for districts seeking to conduct their TRE *on the earliest possible day outside of the November 4 uniform election date*. Districts that will have their TRE on the November 4 uniform election date should refer to the Texas Secretary of State’s calendar, referenced above, and regular election procedures for conducting their election.

Action	Timeline
Order tax rollback election in accordance with election requirements	August 5, 2014
Provide notice of election to county clerk & voter registrar ²²	60 days before election day
Notice of election published in newspaper ²³	Not earlier than 30 days or later than 10 days before election day

¹⁹ Tex. Elec. Code § 3.005(c)(1).

²⁰ Elections ordered by political subdivisions to be held on non-uniform election dates, must be ordered 62 days before the election. Tex. Elec. Code § 3.005(a).

²¹ Texas Secretary of State—Important Dates, available at: www.sos.state.tx.us/elections/voter/2014-important-election-dates.shtml.

²² Tex. Elec. Code § 4.008(a).

²³ Tex. Elec. Code §§ 4.003(a), .004.

Action	Timeline
Period for accepting applications for ballots by mail ²⁴	60 days before election day through 9th day before election day
Period for early voting ²⁵	17th day before election through the 4th day before election
Last day to register to vote in election ²⁶	30th day before election day
Election day ²⁷	62 days after order of election (October 6, 2014, if ordered on August 5th)
Canvass results of election ²⁸	8th day after election day through 11th day after election

The final tax rate: After the tax rate is adopted by the board and ratified by the voters, the assessor will calculate the tax imposed on each property included on the appraisal roll, enter the amount of tax in the appraisal roll and submit it to the school board for approval. If voters do not ratify the adopted tax rate, the district may not adopt a tax rate that exceeds the rollback rate.²⁹ The appraisal roll with the amounts of tax entered as approved by the school board constitutes the district's tax roll.³⁰

Submit final tax information: Additionally, each taxing unit located wholly or in part in a county must provide the adopted tax rate, M&O rate, the debt rate, effective tax rate, effective maintenance and operations tax rate, and the rollback rate to the county assessor-collector following the adoption of the tax rate. The county assessor-collector is required to publish this information in the form of a table on the county's website, if the county maintains a website.³¹

Important Reminders

We encourage districts to work closely with their counties in planning their TRE's.

- Texas law requires school districts to use accessible voting systems for TREs. If your district is considering holding a TRE, contact your city or county as early as possible, to ensure that voting machines are available for the election.
- Smaller counties and political subdivisions may be able to apply for exemptions from the requirement to provide accessible voting systems at each polling place. The application deadline for such an exemption is 90 days before an election. For more information, contact the Secretary of State's Elections Division at 800-252-VOTE (8683).

²⁴ Tex. Elec. Code § 84.007(c).

²⁵ Tex. Elec. Code § 85.001(a).

²⁶ Tex. Elec. Code § 13.143.

²⁷ Elections ordered by political subdivisions to be held on non-uniform election dates must be ordered 62 days before the election. Tex. Elec. Code § 3.005(a). Please note that a district adopting its tax rate using the certified tax roll may not order a TRE 30 days from the TRE as districts using the early adoption method can under Texas Election Code section 3.005(d).

²⁸ Tex. Elec. Code § 67.003(a).

²⁹ Tex. Tax Code § 26.08(d).

³⁰ Tex. Tax Code § 26.09(e).

³¹ The title of the publication is referred to as "Truth in Taxation Summary." In addition to the publication of the tax rates, the county assessor-collector will publish the definitions for each of the varying taxes. Tex. Tax Code § 26.16.

- TREs are not required to be held jointly with other political subdivisions, unless the district chooses to hold its TRE at the same times as its trustee election in May or November. When both elections are held at the same time, the TRE will be covered by the same joint election requirements as the trustee election. In that instance, school districts must use the same precincts and election-day polling places as municipalities or counties within the districts' boundaries. Tex. Elec. Code §§ 42.002(a)(5), 43.004(b).
- Public funds cannot be used for political advertising or electioneering to support a TRE. School districts are permitted to communicate with taxpayers by producing factual materials about the TRE, as well as information about the conduct of the election (date, polling sites, etc.), as long as there is no advocacy in the materials. For more information, see TASB Legal Services' guidance on [Campaign Speech During Elections](#)³² and the [Texas Ethics Commission's guidance](#)³³ for school districts.

For more information on this and other school law topics, visit TASB School Law eSource online at schoollawesource.tasb.org.

This document is provided for educational purposes only and contains information to facilitate a general understanding of the law. It is not an exhaustive treatment of the law on this subject nor is it intended to substitute for the advice of an attorney. Consult with your own attorneys to apply these legal principles to specific fact situations.

Updated April 2014

³² www.tasb.org/Services/Legal-Services/TASB-School-Law-eSource/Governance/documents/campaign_speech_during_elections_apr14.pdf.

³³ www.ethics.state.tx.us/pamphlet/B09pad_sch.pdf.