NOTE REGARDING SB 2 (2nd Called Session, 2023): Senate Bill 2 was passed by the legislature during the second called session and signed by the governor on July 22, 2023. The bill does several things to provide tax relief, including further compression of school district tax rates and increasing the school district homestead exemption from $40,000 to $100,000. The latter change requires voter approval of an amendment to the Texas Constitution. Although the effectiveness of much of SB 2 hinges on the approval of the constitutional amendment, the bill requires that tax rates be calculated and that tax bills be prepared and sent as if the changes in law made by SB 2 were in effect for tax year 2023.

The dates below apply to school districts adopting their budgets and tax rates and conducting voter-approval tax rate elections (VATRE) in 2023. The year is included below if the date changes each year.

Prior to conducting a VATRE, a district must conduct an efficiency audit in accordance with the deadlines set out below and guidelines established by the Legislative Budget Board.¹

TASB Legal Services’ School District Budget and Tax Rate Adoption in 2023 contains detailed information about each requirement and deadline below. For more information on voter-approval tax rate elections, see TASB Legal Services’ School District Voter-Approval Tax Rate Elections in 2023.

- **April 30:** Deadline for chief appraiser to certify estimate of district’s taxable property values²
- **June 19:** Deadline for districts with July 1 fiscal year to prepare a proposed budget³
- **June 20:** Latest date for districts with July 1 fiscal year to publish Notice of Public Meeting to Discuss Budget and Proposed Tax Rate (Texas Comptroller’s Form 50-280)⁴
- **June 30:** Deadline to adopt budget for district with July 1 fiscal year⁵
- **July 7, 2023 (no later than 4 months before Election Day):** Select auditor for efficiency audit⁶
- **July 18–August 1:** TEA data collection from districts regarding taxable property values and local exemption amounts for the preceding and current tax years⁷
- **July 25:** Deadline for chief appraiser to provide certified appraisal roll to district’s tax assessor; if the appraisal review board has not approved the appraisal records by July 20, the chief appraiser must prepare and certify an estimate of taxable property value by July 25⁸
– **August 1**: Deadline for tax assessor to determine district property values and submit appraisal roll to the board

– **August 5**: Deadline for TEA to issue preliminary maximum compressed tax rate (MCR) for each district

– **10 Calendar Days after TEA approves preliminary MCR:**
  - Deadline to appeal preliminary MCR
  - If not appealed, preliminary MCR becomes final

– **August 11, 2023**: Latest date for districts planning a VATRE to publish Notice of Public Meeting to Discuss Budget and Proposed Tax Rate (Texas Comptroller’s Form 50-280)

– **August 20**: Deadline for districts with September 1 fiscal year to prepare a proposed budget

– **August 21**: Latest date for districts with September 1 fiscal year to publish Notice of Public Meeting to Discuss Budget and Proposed Tax Rate (Texas Comptroller’s Form 50-280) if not conducting a VATRE

– **August 21, 2023 (78th day before Election Day)**: Deadline to order an election to be held on the November uniform election date; a district must adopt its budget and tax rate before ordering an election

– **August 31**:
  - Deadline to adopt budget for district with September 1 fiscal year
  - Deadline for TEA to issue final determination of MCR appeal

– **September 30 or 60 days after receiving certified appraisal roll (whichever is later)**: Tax rate adopted before the later of these dates if not conducting a VATRE

– **October 7, 2023 (no later than three months after auditor appointment)**: Efficiency audit completed

– **October 8, 2023 (no later than thirty days before Election Day)**: Efficiency audit results posted on district website; before the VATRE, the board must hold an open meeting to discuss the results

– **November 7, 2023 (First Tuesday after first Monday in November)**: Uniform election date for VATRE

This document is continually updated at tasb.org/services/legal-services/tasb-school-law-esource/business/documents/timeline-for-budget-tax-rate-adooption-and-vatre.pdf. For more information on school law topics, visit TASB School Law eSource at schoollawesource.tasb.org.

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the law, nor is it intended to substitute for the advice of an attorney. Consult your own attorney to apply these legal principles to specific fact situations.

Published August 2023


2. Tex. Tax Code § 26.01(e).


4. Because a district will not have its maximum compressed tax rate (MCR) from TEA by this date, a district can use the district’s MCR estimated in its state aid template and add the desired number of tier two pennies for the purpose of publishing the required Notice of Public Meeting to Discuss Budget and Proposed Tax Rate. See Tex. Educ. Code § 48.2551 (a district’s MCR is calculated by TEA and is the lesser of the district’s prior year MCR, the state compression rate, or the rate determined by a statutory formula if the district’s taxable property value for the current year exceeds the district’s prior year value by at least 2.5 percent.) A district will need to publish a revised notice if it ultimately plans to adopt a higher tax rate than the original proposed rate.


8. Tex. Tax Code § 26.01(a)-(a-1); see also Tex. Tax Code § 26.04(c-2) (if the assessor received a certified estimate, the taxing unit’s designated officer or employee shall calculate the no-new-revenue tax rate and voter-approval tax rate using the certified estimate).


13. Tex. Educ. Code § 44.004. A district with a July 1 fiscal year must, after receipt of the certified appraisal roll, publish a revised notice and hold another public meeting before the district may adopt a tax rate that exceeds the proposed rate or the district’s voter-approval tax rate using the certified appraisal roll. Tex. Educ. Code § 44.004(i)(1)-(2).


16. Tex. Elec. Code § 3.005; Tex. Tax Code § 26.08. See TASB Legal Services’ eSource Elections website and the Secretary of State Elections Division website for more information regarding election procedures and deadlines.


