



## To the Administrator Addressed

Commissioner Mike Morath

This letter is to inform you about tax rate compression of school district maintenance and

[taxprograms@tea.texas.gov](mailto:taxprograms@tea.texas.gov)

MCR.

8. **Adoption of Tax Rate.** Once the maximum compressed tax rate is approved by the agency, districts may adopt their 2020 tax rates in accordance with Tax Code §26.08. However, districts that have been notified of having local revenue in excess of entitlement pursuant to TEC, §49.004 must also certification that the district has reduced the district's local revenue level in excess of entitlement to the level established under TEC, §48.257 before proceeding with its tax rate adoption.
  
9. **Excel template:** An Excel template is available on the state funding [website](#) to assist total tax rate possible without a voter approval election. Please note that the purpose of this template is limited to assistance only and does not anticipate any tax rate increase that the district may be considering. Legal responsibility to adopt a tax rate in accordance with the law remains with the district, which should consult with its own legal counsel.

### **Questions**

Please read this previous TAA for background: <https://tea.texas.gov/about-tea/news-and-multimedia/correspondence/taa-letters/house-bill-3-hb-3-implementation-2020-tax-rate-changes>.

If you have any questions related to this TAA on the Local Property Value Survey and calculation of Maximum Compressed Tax Rate for Tax Year 2020 please contact Amy Ma at (512) 463-9737 or by email at [taxprograms@tea.texas.gov](mailto:taxprograms@tea.texas.gov).

Sincerely,

Al McKenzie