

COVID-19 County Budget Timeline Questions and Items of Interest

As the COVID-19 situation continues to evolve, the Texas Association of Counties (TAC) is working diligently to be as responsive as possible to all 254 counties. In an effort to do that, we have compiled a list of questions on county budget items that have come up as we navigate the COVID-19 pandemic. Please be aware that this is a working document. TAC may not have all the answers to your questions, but the Association is working hard to get the most accurate responses and information available. As questions continue to be asked and answered, we will continue to update our **information**.

Does my county qualify for the disaster exemption under SB 2?

Yes. The governor's disaster declaration qualified all counties for the disaster exemption. This exemption allows taxing units to go above the 3.5% voter-approval tax rate if necessary to help with emergency response needs. (Texas Tax Code § 26.04(c-1))

If I am going to use the disaster exemption, do I have to call an election?

No. The declaration removes the requirement for a taxing unit to call an election if they are going above the 3.5% cap. Taxing units can continue to use the disaster exemption until:

1. The second tax year in which the total taxable value of property in the county exceeds the total taxable value of property taxable by the county on Jan. 1 of the tax year in which the disaster occurred; or
2. The third tax year after the tax year in which the disaster occurred. (Texas Tax Code § 26.04(c-1))

If your county decides to go above the 3.5% voter-approval rate, you must vote to exceed 3.5%. (Texas Tax Code § 26.05)

Is there any discussion about extending county budget deadlines?

Discussions are taking place and members of the Legislature are beginning to ask for suggestions on what can be done to keep the county budget process on track. At this time, no decision has been made regarding the extension of deadlines. You should proceed with current deadlines while observing current guidelines issued by the Texas Department of Emergency Management (TDEM) and the Centers for Disease Control and Prevention.

See *Executive Order GA-14* or see <https://tdem.texas.gov/essentialservices/>.

Does the Governor have the authority to waive some of the statutory budget deadlines?

Yes. See Texas Government Code § 418.016(e) below:

On request of a political subdivision, the Governor may waive or suspend a deadline imposed by a statute or the orders or rules of a state agency on the political subdivision, including a deadline relating to a budget or ad valorem tax, if the waiver or suspension is reasonably necessary to cope with a disaster.

If my county is under a shelter-in-place order, is the appraisal district considered an essential business?

The Governor issued some guidance on critical infrastructure including

which businesses are considered essential. For what has been determined as an essential business.

See *previously referenced Executive Order GA-14* and *TDEM website*.

Are alternatives to in-person appraisal appeals being considered due to social distancing requirements?

Appraisal districts are currently reviewing options for conducting appeals and other appraisal meetings virtually. These decisions will be made by your local appraisal district. For information about teleconference and videoconference capabilities offered by the Texas Department of Information Resources' you can visit their **website** or call (512) 475-4700. Additionally, Google is currently offering their remote meeting software free to government entities for 90 days. Contact the Texas Local Government sales representative, Tim Spencer, at (512) 592-9693.

See *previously referenced Executive Order GA-14* and *TDEM website*.

It is highly likely that our county will struggle with getting enough people to participate on the Appraisal Review Board this year.

Are there alternative methods for the appeals process should our county be short participants?

Appraisal districts recognize the potential struggle to have participants on the Appraisal Review Board this year. No decisions or best practice recommendations regarding this have been made at this time. The Texas Association of Appraisal Districts is working with leadership to consider all options. TAC will continue to provide information as it is made available.

Can a county tax assessor-collector waive the penalty and interest for someone who pays their taxes quarterly in the wake of the COVID-19 pandemic?

No. However, if someone is in need of assistance, they have the option to apply for a deferral. If an individual needs to apply for a deferral, they should contact their county appraisal district for instructions on how to complete the process and the impact it will have on penalties and interest moving forward. Homes donated to disabled veterans are not eligible for deferral. A mortgage company may not allow a tax deferral to be filed. It is highly recommended that an individual confirm that their mortgage company will allow the deferral.