

# CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

May 26, 2005

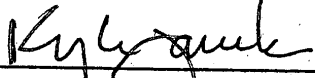
Date

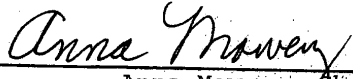
Honorable David Dewhurst  
President of the Senate

Honorable Tom Craddick  
Speaker of the House of Representatives

Sirs:

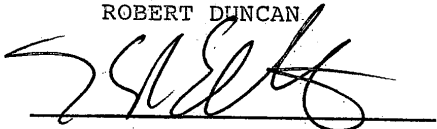
We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on House Bill 182 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

  
KYLE JANEK, CHAIR

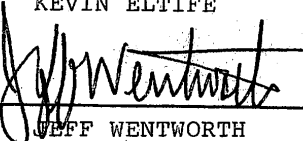
  
Anna Mowery, Chair

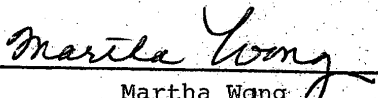
  
ROBERT DUNCAN


  
Vicki Truitt

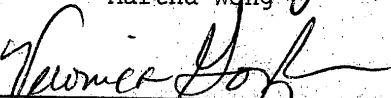
  
KEVIN ELTIFE

  
Marc Veasey

  
JEFF WENTWORTH

  
Martha Wong

  
On the part of the Senate  
TOMMY WILLIAMS

  
On the part of the House  
Veronica Gonzales

### Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

# CONFERENCE COMMITTEE REPORT

3<sup>rd</sup> Printing

H.B. No. 182

A BILL TO BE ENTITLED

AN ACT

relating to the appeal of certain ad valorem tax determinations through binding arbitration.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle F, Title 1, Tax Code, is amended by adding Chapter 41A to read as follows:

CHAPTER 41A. APPEAL THROUGH BINDING ARBITRATION

Sec. 41A.01. RIGHT OF APPEAL BY PROPERTY OWNER. As an alternative to filing an appeal under Section 42.01, a property owner is entitled to appeal through binding arbitration under this chapter an appraisal review board order determining a protest concerning the appraised or market value of real property if:

(1) the appraised or market value, as applicable, of the property as determined by the order is \$1 million or less; and

(2) the appeal does not involve any matter in dispute other than the determination of the appraised or market value of the property.

Sec. 41A.02. NOTICE OF RIGHT TO ARBITRATION. An appraisal review board that delivers notice of issuance of an order described by Section 41A.01 and a copy of the order to a property owner as required by Section 41.47 shall include with the notice and copy:

(1) a notice of the property owner's rights under this chapter; and

(2) a copy of the form prescribed under Section

1 41A.04.

2 Sec. 41A.03. REQUEST FOR ARBITRATION. (a) To appeal an  
3 appraisal review board order under this chapter, a property owner  
4 must file with the appraisal district not later than the 45th day  
5 after the date the property owner receives notice of the order:

6 (1) a completed request for binding arbitration under  
7 this chapter in the form prescribed by Section 41A.04; and

8 (2) an arbitration deposit in the amount of \$500, made  
9 payable to the comptroller.

10 (b) A property owner who fails to strictly comply with this  
11 section waives the property owner's right to request arbitration  
12 under this chapter. A property owner who appeals an appraisal  
13 review board order determining a protest concerning the appraised  
14 or market value, as applicable, of the owner's property under  
15 Chapter 42 waives the owner's right to request binding arbitration  
16 under this chapter regarding the value of that property. An  
17 arbitrator shall dismiss any pending arbitration proceeding if the  
18 property owner's rights are waived under this subsection.

19 Sec. 41A.04. CONTENTS OF REQUEST FORM. The comptroller by  
20 rule shall prescribe the form of a request for binding arbitration  
21 under this chapter. The form must require the property owner to  
22 provide only:

23 (1) a brief statement that explains the basis for the  
24 property owner's appeal of the appraisal review board order;

25 (2) a statement of the property owner's opinion of the  
26 appraised or market value, as applicable, of the property that is  
27 the subject of the appeal; and

1           (3) any other information reasonably necessary for the  
2 appraisal district to request appointment of an arbitrator.

3           Sec. 41A.05. PROCESSING OF REGISTRATION REQUEST. (a) Not  
4 later than the 10th day after the date an appraisal district  
5 receives from a property owner a completed request for binding  
6 arbitration under this chapter and an arbitration deposit as  
7 required by Section 41A.03, the appraisal district shall:

8                   (1) certify the request;

9                   (2) submit the request and deposit to the comptroller;

10 and

11                   (3) request the comptroller to appoint a qualified  
12 arbitrator to conduct the arbitration.

13           (b) The comptroller may retain an amount equal to 10 percent  
14 of the deposit to cover the comptroller's administrative costs.

15           Sec. 41A.06. REGISTRY AND QUALIFICATIONS OF ARBITRATORS.

16           (a) The comptroller shall maintain a registry listing the  
17 qualified persons who have agreed to serve as arbitrators under  
18 this chapter.

19           (b) To qualify to serve as an arbitrator under this chapter,  
20 a person must:

21                   (1) have completed at least 30 hours of training in  
22 arbitration and alternative dispute resolution procedures from a  
23 university, college, or legal or real estate trade association;

24                   (2) be licensed as a real estate broker or salesperson  
25 under Chapter 1101, Occupations Code, or be licensed or certified  
26 as a real estate appraiser under Chapter 1103, Occupations Code;  
27 and

1           (3) agree to conduct an arbitration for a fee that is  
2 not more than 90 percent of the amount of the arbitration deposit  
3 required by Section 41A.03.

4           Sec. 41A.07. APPOINTMENT OF ARBITRATOR. (a) On receipt of  
5 the request and deposit under Section 41A.05, the comptroller shall  
6 send the property owner and the appraisal district a copy of the  
7 comptroller's registry of qualified arbitrators and request that  
8 the parties select an arbitrator from the registry. The  
9 comptroller may send a copy of the registry to the parties by  
10 regular mail in paper form or may send the parties written notice of  
11 the Internet address of a website at which the registry is  
12 maintained and may be accessed. The parties shall attempt to select  
13 an arbitrator from the registry.

14           (b) Not later than the 20th day after the date the parties  
15 receive the copy of the registry or notice of the Internet address  
16 of the registry website, the appraisal district shall notify the  
17 comptroller that:

18                   (1) the parties have selected an arbitrator and  
19 request that the comptroller appoint the selected arbitrator; or

20                   (2) the parties were unable to select an arbitrator  
21 and request the comptroller to appoint an arbitrator.

22           (c) On receipt of notice from the appraisal district under  
23 Subsection (b), the comptroller shall:

24                   (1) appoint:

25                           (A) the arbitrator selected under Subsection  
26 (b)(1), if applicable; or

27                           (B) any arbitrator included in the comptroller's

1 registry, if Subsection (b)(2) applies; and

2 (2) send notice to the arbitrator appointed,  
3 requesting that the arbitrator conduct the arbitration.

4 (d) If the arbitrator appointed is unable or unwilling to  
5 conduct the arbitration for any reason, the arbitrator shall  
6 promptly notify the comptroller that the arbitrator does not accept  
7 the appointment and state the reason. The comptroller shall  
8 appoint a substitute arbitrator promptly after receipt of the  
9 notice.

10 Sec. 41A.08. NOTICE AND HEARING; REPRESENTATION OF PARTIES.

11 (a) On acceptance of an appointment to conduct an arbitration under  
12 this chapter, the arbitrator shall set the date, time, and place of  
13 a hearing on the arbitration. The arbitrator shall give notice of  
14 and conduct the hearing in the manner provided by Subchapter C,  
15 Chapter 171, Civil Practice and Remedies Code. The arbitrator:

16 (1) shall continue a hearing if both parties agree to  
17 the continuance; and

18 (2) may continue a hearing for reasonable cause.

19 (b) The parties to an arbitration proceeding under this  
20 chapter may represent themselves or may be represented by:

21 (1) an employee of the appraisal district;

22 (2) an attorney who is licensed in this state;

23 (3) a person who is licensed as a real estate broker or  
24 salesperson under Chapter 1101, Occupations Code, or is licensed or  
25 certified as a real estate appraiser under Chapter 1103,  
26 Occupations Code; or

27 (4) a property tax consultant registered under Chapter

1 1152, Occupations Code.

2 Sec. 41A.09. AWARD; PAYMENT OF ARBITRATOR'S FEE. (a) Not  
3 later than the 20th day after the date the hearing under Section  
4 41A.08 is concluded, the arbitrator shall make an arbitration award  
5 and deliver a copy of the award to the property owner, appraisal  
6 district, and comptroller.

7 (b) An award under this section:

8 (1) must include a determination of the appraised or  
9 market value, as applicable, of the property that is the subject of  
10 the appeal;

11 (2) may include any remedy or relief a court may order  
12 under Chapter 42 in an appeal relating to the appraised or market  
13 value of property;

14 (3) shall specify the arbitrator's fee, which may not  
15 exceed the amount provided by Section 41A.06(b)(3);

16 (4) is final and may not be appealed except as  
17 permitted under Section 171.088, Civil Practice and Remedies Code,  
18 for an award subject to that section; and

19 (5) may be enforced in the manner provided by  
20 Subchapter D, Chapter 171, Civil Practice and Remedies Code.

21 (c) If the arbitrator determines that the appraised or  
22 market value, as applicable, of the property that is the subject of  
23 the appeal is nearer to the property owner's opinion of the  
24 appraised or market value, as applicable, of the property as stated  
25 in the request for binding arbitration submitted under Section  
26 41A.03 than the value determined by the appraisal review board:

27 (1) the comptroller, on receipt of a copy of the award,

1 shall refund the property owner's arbitration deposit, less the  
2 amount retained by the comptroller under Section 41A.05(b);

3 (2) the appraisal district, on receipt of a copy of the  
4 award, shall pay the arbitrator's fee; and

5 (3) the chief appraiser shall correct the appraised or  
6 market value, as applicable, of the property as shown in the  
7 appraisal roll to reflect the arbitrator's determination.

8 (d) If the arbitrator determines that the appraised or  
9 market value, as applicable, of the property that is the subject of  
10 the appeal is not nearer to the property owner's opinion of the  
11 appraised or market value, as applicable, of the property as stated  
12 in the request for binding arbitration submitted under Section  
13 41A.03 than the value determined by the appraisal review board:

14 (1) the comptroller, on receipt of a copy of the award,  
15 shall:

16 (A) pay the arbitrator's fee out of the owner's  
17 arbitration deposit; and

18 (B) refund to the owner the owner's arbitration  
19 deposit, less the arbitrator's fee and the amount retained by the  
20 comptroller under Section 41A.05(b); and

21 (2) the chief appraiser shall correct the appraised or  
22 market value, as applicable, of the property as shown in the  
23 appraisal roll to reflect the arbitrator's determination if the  
24 value as determined by the arbitrator is less than the value as  
25 determined by the appraisal review board.

26 (e) The comptroller by rule may prescribe a standard form  
27 for an award and may require arbitrators to use the award form when



1 making awards under this chapter.

2 Sec. 41A.10. PAYMENT OF TAXES PENDING APPEAL. (a) The  
3 pendency of an appeal under this chapter does not affect the  
4 delinquency date for the taxes on the property subject to the  
5 appeal. A property owner who appeals an appraisal review board  
6 order under this chapter shall pay taxes on the property subject to  
7 the appeal in an amount equal to the amount of taxes due on the  
8 portion of the taxable value of the property that is not in dispute.  
9 If the final determination of an appeal under this chapter  
10 decreases the property owner's tax liability to less than the  
11 amount of taxes paid, the taxing unit shall refund to the property  
12 owner the difference between the amount of taxes paid and the amount  
13 of taxes for which the property owner is liable.

14 (b) A property owner may not file an appeal under this  
15 chapter if the taxes on the property subject to the appeal are  
16 delinquent. An arbitrator who determines that the taxes on the  
17 property subject to an appeal are delinquent shall dismiss the  
18 pending appeal with prejudice. If an appeal is dismissed under this  
19 subsection, the comptroller shall refund the property owner's  
20 arbitration deposit, less the amount retained by the comptroller  
21 under Section 41A.05(b).

22 Sec. 41A.11. POSTAPPEAL ADMINISTRATIVE PROCEDURES. An  
23 arbitration award under this chapter is considered to be a final  
24 determination of an appeal for purposes of Subchapter C, Chapter  
25 42.

26 Sec. 41A.12. USE OF PROPERTIES AS SAMPLES. An arbitrator's  
27 determination of market value under this chapter is the market

1 value of the property subject to the appeal for the purposes of the  
2 annual study conducted under Section 403.302, Government Code.

3 Sec. 41A.13. RULES. The comptroller may adopt rules  
4 necessary to implement and administer this chapter.

5 SECTION 2. As soon as practicable after the effective date  
6 of this Act, but not later than January 1, 2006, the comptroller  
7 shall:

8 (1) prescribe the model form for an arbitration  
9 request as provided by Section 41A.04, Tax Code, as added by this  
10 Act; and

11 (2) establish a registry of qualified arbitrators as  
12 provided by Section 41A.06(a), Tax Code, as added by this Act.

13 SECTION 3. This Act takes effect September 1, 2005.

**House Bill 182**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Adds Subchapter E, Chapter 41, Tax Code, *Protest Through Binding Arbitration*, as follows:

Sec. 41.81. Right to Arbitration. (a) Defines "residential real property."

(b) As an alternative to having a protest brought under Section 41.41 heard by the appraisal review board, a property owner is entitled to have a protest concerning the appraised or market value of residential real property determined through binding arbitration under this subchapter if the appraised or market value, as applicable, of the property as determined by the appraisal district is \$1 million or less.

Sec. 41.82. Notice of Right to Arbitration. An appraisal district that delivers a notice of appraised value under Section 25.19 shall include with the notice: (1) a notice of the property owner's rights under this subchapter; and (2) a copy of the form required by Section 41.83(a)(1).

Sec. 41.83. Request for Arbitration. (a) To request that a protest be determined by an arbitrator under this subchapter, a property owner must file with the appraisal

SENATE VERSION

SECTION 1. Adds Chapter 41A, Tax Code, *Appeal Through Binding Arbitration*, as follows:

No equivalent provision.

Sec. 41A.01. Right of Appeal by Property Owner. As an alternative to filing an appeal under Section 42.01, a property owner is entitled to appeal through binding arbitration under this chapter an appraisal review board order determining a protest concerning the appraised or market value of real property if: (1) the appraised or market value, as applicable, of the property as determined by the order is \$1 million or less; and (2) the appeal does not involve any matter in dispute other than the determination of the appraised or market value of the property.

Sec. 41A.02. Notice of Right to Arbitration. An appraisal review board that delivers notice of issuance of an order described by Section 41A.01 and a copy of the order to a property owner as required by Section 41.47 shall include with the notice and copy: (1) a notice of the property owner's rights under this chapter; and (2) a copy of the form prescribed under Section 41A.03(1).

Sec. 41A.03. Request for Arbitration. (a) To appeal an appraisal review board order under this chapter, a property owner must file with the appraisal district not later than the

CONFERENCE

SECTION 1. Same as Senate version.

Same as Senate version.

Sec. 41A.01. Same as Senate version.

Sec. 41A.02. Same as Senate version, except cites Section 41A.04 as the provision prescribing the form.

Sec. 41A.03(a). Same as Senate version.

**House Bill 182**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

district not later than the deadline for filing a protest established by Section 41.44:

- (1) a completed request for binding arbitration under this subchapter in the form prescribed by Section 41.84; and
- (2) an arbitration deposit in the appropriate amount, made payable to the comptroller.

(b) The amount of the arbitration deposit required by Subsection (a)(2) is an amount equal to the lesser of \$750 or one-fourth of one percent of the appraised or market value of the property as determined by the appraisal district that is being protested, rounded up to the next whole dollar amount.

No equivalent provision.

(c) A request for arbitration is a valid and enforceable arbitration agreement for purposes of Chapter 171, Civil Practice and Remedies Code.

SENATE VERSION

45th day after the date the property owner receives notice of the order:

- (1) a completed request for binding arbitration under this chapter in the form prescribed by Section 41A.04; and
- (2) an arbitration deposit in the amount of \$500, made payable to the comptroller.

(See Sec. 41A.03(a)(2) above.)

(b) A property owner who fails to strictly comply with this section waives the property owner's right to request arbitration under this chapter. A property owner who appeals an appraisal review board order determining a protest concerning the appraised or market value, as applicable, of the owner's property under Chapter 42 waives the owner's right to request binding arbitration under this chapter regarding the value of that property. An arbitrator shall dismiss any pending arbitration proceeding if the property owner's rights are waived under this subsection.

No equivalent provision.

CONFERENCE

Same as Senate version.

(b) Same as Senate version.

Same as Senate version.

**House Bill 182**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

Sec. 41.84. Contents of Request Form. (a) The chief appraiser shall prescribe the form of a request for binding arbitration under this subchapter. The form must require the property owner to provide only:

- (1) a brief statement that explains the basis for the property owner's protest of the action of the appraisal district; and
- (2) any other information reasonably necessary for the appraisal district to request appointment of an arbitrator.

(b) The comptroller by rule shall prescribe a model form for requesting binding arbitration, which must include a brief explanation of how the property owner can calculate the amount of the arbitration deposit required by Section 41.83(a)(2).

Sec. 41.85. Processing of Arbitration Request. Not later than the 10th day after the date an appraisal district receives from a property owner a completed request for binding arbitration under this subchapter and the arbitration deposit required by Section 41.83, the appraisal district shall:

- (1) endorse the request;
- (2) submit to the comptroller the request, the arbitration deposit filed by the property owner, and an additional \$250 arbitration deposit from the appraisal district, made payable to the comptroller; and

SENATE VERSION

Sec. 41A.04. Contents of Request Form. The comptroller by rule shall prescribe the form of a request for binding arbitration under this chapter. The form must require the property owner to provide only:

- (1) a brief statement that explains the basis for the property owner's appeal of the appraisal review board order;
- (2) a statement of the property owner's opinion of the appraised or market value, as applicable, of the property that is the subject of the appeal; and
- (3) any other information reasonably necessary for the appraisal district to request appointment of an arbitrator.

No equivalent provision.

Sec. 41A.05. Processing of Registration Request. (a) Not later than the 10th day after the date an appraisal district receives from a property owner a completed request for binding arbitration under this chapter and an arbitration deposit as required by Section 41A.03, the appraisal district shall:

- (1) certify the request;
- (2) submit the request and deposit to the comptroller; and
- (3) request the comptroller to appoint a qualified arbitrator to conduct the arbitration.

CONFERENCE

Sec. 41A.04. Same as Senate version.

Same as Senate version.

Sec. 41A.05(a). Same as Senate version.

**House Bill 182**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

(3) request that the comptroller appoint a qualified arbitrator to conduct the arbitration.

No equivalent provision.

Sec. 41.86. Registry and Qualifications of Arbitrators. (a) The comptroller shall maintain a registry listing the qualified persons who have agreed to serve as arbitrators under this subchapter.

(b) To qualify to serve as an arbitrator under this subchapter, a person must: (1) have completed at least 30 hours of training in arbitration and alternative dispute resolution procedures from a university, college, or legal or real estate trade association; (2) be licensed as a real estate broker or salesperson under Chapter 1101, Occupations Code, or be licensed or certified as a real estate appraiser under Chapter 1103, Occupations Code; and (3) agree to conduct an arbitration for a fee that is *not more than \$500*.

Sec. 41.87. Appointment of Arbitrator. (a) On receipt of the request and deposits under Section 41.85, the comptroller shall send the property owner and the appraisal district a copy of the comptroller's registry of qualified arbitrators and request that the parties *jointly* select an arbitrator from the registry. The parties shall attempt to select an arbitrator from the registry.

(b) Not later than the *10th* day after the date the parties

(b) The comptroller may retain 10 percent of the deposit to cover administrative costs.

Sec. 41A.06. Substantially the same as House version, except the qualifications to serve as an arbitrator require a person to agree to conduct an arbitration for a fee that is *not more than 90 percent of the amount of the arbitration deposit required by Section 41A.03*.

Sec. 41A.07. (a) Substantially the same as House version, except also allows the comptroller to send a copy of the registry to the parties by regular mail in paper form or to send the parties written notice of the Internet address of a website at which the registry is maintained and may be accessed.

(b) Substantially the same as House version, except that

(b) Same as Senate version.

Sec. 41A.06. Same as Senate version.

Sec. 41A.07(a). Same as Senate version.

(b) Same as Senate version.

**House Bill 182**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

receive the registry, the appraisal district shall notify the comptroller that: (1) the parties have selected an arbitrator and request that the comptroller appoint the selected arbitrator; or (2) the parties were unable to agree on the selection of an arbitrator and request that the comptroller appoint an arbitrator.

(c) On receipt of notice from the appraisal district, the comptroller shall appoint the arbitrator selected under Subsection (b)(1), if applicable, or any arbitrator included in the comptroller's registry, if Subsection (b)(2) applies, and send notice to the arbitrator appointed, requesting that the arbitrator conduct the arbitration.

(d) If the arbitrator appointed is unable or unwilling to conduct the arbitration for any reason, the arbitrator shall promptly notify the comptroller that the arbitrator does not accept the appointment and state the reason. The comptroller shall appoint a substitute arbitrator promptly after receipt of the notice.

Sec. 41.88. Notice and Hearing; Representation of Parties.

(a) On acceptance of an appointment to conduct an arbitration, the arbitrator shall set the date, time, and place of a hearing on the arbitration. The arbitrator shall give notice of and conduct the hearing in the manner provided by Subchapter C, Chapter 171, Civil Practice and Remedies Code.

the notification deadline is not later than the *20th* day after the date the parties receive the *copy of the registry or notice of the Internet address of the registry website*.

(c) Same as House version.

(d) Same as House version.

Sec. 41A.08(a). Substantially the same as House version, except also requires the arbitrator to continue a hearing if both parties agree to the continuance and allows the arbitrator to continue a hearing for reasonable cause.

(c) Same as House version.

(d) Same as House version.

Sec. 41A.08(a). Same as Senate version.

**House Bill 182**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

(b) The parties to an arbitration proceeding may represent themselves or be represented by a designated person, including an attorney or a property tax consultant, real estate appraiser, or real estate broker acting under power of attorney. Each party is responsible for the fees of its own representative.

Sec. 41.89. Award; Payment of Arbitrator's Fee. (a) Not later than the *fifth* day after the date the hearing under Section 41.88 is concluded, the arbitrator shall make an arbitration award and deliver a copy of the award to the property owner, appraisal district, and comptroller.

- (b) An award under this section:
- (1) shall include a determination of the appraised or market value, as applicable, of the property that is the subject of the *protest*;
  - (2) may include any remedy or relief that an *appraisal review board* may order under this chapter;
  - (3) shall specify the arbitrator's fee, which may not exceed \$500;

SENATE VERSION

(b) The parties to an arbitration proceeding may be represented by an attorney or by a property tax consultant, real estate appraiser, or real estate broker acting under power of attorney. Allows an appraisal district employee to represent the district in the arbitration proceeding. Prohibits a person from serving as a party representative, presenting evidence, or making arguments in an arbitration proceeding unless the person: (1) is an appraisal district employee; (2) is a licensed attorney in this state; (3) is licensed as a real estate broker or salesperson under Chapter 1101, Occupations Code, or is licensed or certified as a real estate appraiser under Chapter 1103, Occupations Code; or (4) is a property tax consultant registered under Chapter 1152, Occupations Code.

Sec. 41A.09(a). Substantially the same as House version, except the award deadline is not later than the *20th* day after the date of the hearing.

- (b) An award under this section:
- (1) must include a determination of the appraised or market value, as applicable, of the property that is the subject of the *appeal*;
  - (2) may include any remedy or relief a *court* may order under Chapter 42 in an *appeal relating to the appraised or market value of property*;
  - (3) shall specify the arbitrator's fee, which may not exceed

CONFERENCE

(b) The parties to an arbitration proceeding may represent themselves or be represented by: (1) an employee of the appraisal district; (2) an attorney who is licensed in this state; (3) a person who is licensed as a real estate broker or salesperson under Chapter 1101, Occupations Code, or is licensed or certified as a real estate appraiser under Chapter 1103, Occupations Code; or (4) a property tax consultant registered under Chapter 1152, Occupations Code.

Sec. 41A.09(a). Same as Senate version.

- (b) Same as Senate version.



**House Bill 182**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

- (4) is final and may not be *vacated* except as permitted under Section 171.088, Civil Practice and Remedies Code, for an award subject to that section; and
- (5) may be enforced in the manner provided by Subchapter D, Chapter 171, Civil Practice and Remedies Code.

(c) Except as provided by Subsection (d), if the arbitrator determines that the appraised or market value, as applicable, of the property that is the subject of the protest is less than 95 percent of the appraised or market value, as applicable, of the property as determined by the appraisal district, rounded down to the next whole number:

- (1) the arbitrator shall award to the property owner an amount equal to the amount of the property owner's arbitration deposit; and
- (2) the appraisal district, before the 30th day after the date of receipt of a copy of the award, shall pay that amount to the property owner.

(d) If the appraised or market value of the property as determined by the appraisal district and that is being protested is \$200,000 or more, and the arbitrator determines that the appraised or market value, as applicable, of the property is less than 90 percent of that

SENATE VERSION

- the amount provided by Section 41A.06(b)(3);*
- (4) is final and may not be *appealed* except as permitted under Section 171.088, Civil Practice and Remedies Code, for an award subject to that section; and
- (5) may be enforced in the manner provided by Subchapter D, Chapter 171, Civil Practice and Remedies Code.

(c) If the arbitrator determines that the appraised or market value, as applicable, of the property that is the subject of the appeal is nearer to the property owner's opinion of the appraised or market value, as applicable, of the property as stated in the request for binding arbitration submitted under Section 41A.03 than the value determined by the appraisal review board:

- (1) the comptroller, on receipt of a copy of the award, shall refund the property owner's arbitration deposit, less the amount retained by the comptroller under Section 41A.05(b);
- (2) the appraisal district, on receipt of a copy of the award, shall pay the arbitrator's fee; and
- (3) the chief appraiser shall correct the appraised or market value, as applicable, of the property as shown in the appraisal roll to reflect the arbitrator's determination.

(d) If the arbitrator determines that the appraised or market value, as applicable, of the property that is the subject of the appeal is not nearer to the property owner's opinion of the appraised or market value, as applicable, of the property as stated in the request for binding arbitration submitted

CONFERENCE

(c) Same as Senate version.

(d) Same as Senate version.

**House Bill 182**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

value as determined by the appraisal district, rounded down to the next whole number, the arbitrator and the appraisal district shall comply with Subsections (c)(1) and (2).

(e) On receipt of a copy of the arbitrator's award, the comptroller shall pay from the total amount of the arbitration deposits from the property owner and the appraisal district held by the comptroller: (1) the amount of the arbitrator's fee to the arbitrator; and (2) any remaining balance to the appraisal district.

No equivalent provision.

(f) If the amount paid to the appraisal district under Subsection (e) is less than \$250, on application of the appraisal district and from any arbitrator deposits held by the comptroller that are available for that purpose, the comptroller shall pay the amount of the difference to the appraisal district.

No equivalent provision.

SENATE VERSION

under Section 41A.03 than the value determined by the appraisal review board: (1) the comptroller, on receipt of a copy of the award, shall: (A) pay the arbitrator's fee out of the owner's arbitration deposit; and (B) refund to the owner the owner's arbitration deposit, less the arbitrator's fee and the amount retained by the comptroller under Section 41A.05(b); and (2) the chief appraiser shall correct the appraised or market value, as applicable, of the property as shown in the appraisal roll to reflect the arbitrator's determination if the value as determined by the arbitrator is less than the value as determined by the appraisal review board.

(e) The comptroller by rule may prescribe a standard form for an award and require arbitrators to use the form when making awards.

No equivalent provision.

Sec. 41A.10. Payment of Taxes Pending Appeal. (a) The pendency of an appeal under this chapter does not affect the delinquency date for the taxes on the property subject to the appeal. Requires a property owner who appeals an appraisal review board order under this chapter to pay taxes

CONFERENCE

(e) Same as Senate version.

Same as Senate version.

Sec. 41A.10. Same as Senate version.

**House Bill 182**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION

CONFERENCE

on the property subject to the appeal in an amount equal to the amount of taxes due on the portion of the taxable value of the property that is not in dispute. Requires the taxing unit to refund to the property owner the difference between the amount of taxes paid and the amount of taxes for which the property owner is liable if the final determination of an appeal under this chapter decreases the property owner's tax liability to less than the amount of taxes paid.

No equivalent provision.

(b) A property owner may not file an appeal under this chapter if the taxes on the property subject to the appeal are delinquent. An arbitrator who determines that the taxes on the property subject to an appeal are delinquent shall dismiss the pending appeal with prejudice. If an appeal is dismissed under this subsection, the comptroller shall refund the property owner's arbitration deposit, less the amount retained by the comptroller under Section 41A.05(b).

No equivalent provision.

Sec. 41A.11. Postappeal Administrative Procedures. An arbitration award is considered to be a final determination of an appeal for purposes of Subchapter C, Chapter 42.

Sec. 41A.11. Same as Senate version.

No equivalent provision.

Sec. 41A.12. Use of Properties as Samples. An arbitrator's determination of market value under this chapter is the market value of the property subject to the appeal for the purposes of the annual study conducted under Section 403.302, Government Code.

Sec. 41A.12. Same as Senate version.

**House Bill 182**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

Sec. 41.90. Rules; Delegation of Appointment Authority. The comptroller may adopt necessary administrative and implementation rules and designate employees authorized to appoint arbitrators under this subchapter.

SECTION 2. As soon as practicable after the effective date of this Act, but not later than October 1, 2005: (1) each appraisal district shall prescribe the form of an arbitration request as provided by Section 41.84, Tax Code, as added by this Act; and (2) the comptroller shall: (A) prescribe the model form for an arbitration request as provided by Section 41.84, Tax Code, as added by this Act; and (B) establish a registry of qualified arbitrators as provided by Section 41.86, Tax Code, as added by this Act.

SECTION 3. Subchapter E, Chapter 41, Tax Code, as added by this Act, applies only to a protest filed by a property owner under that chapter on or after the effective date of this Act.

SECTION 4. Effective date.

SENATE VERSION

Sec. 41A.13. Rules. Substantially the same as House version, except omits the provision allowing the comptroller to designate employees authorized to appoint arbitrators.

SECTION 2. As soon as practicable after the effective date of this Act, but not later than January 1, 2006, the comptroller shall: (1) prescribe the model form for an arbitration request as provided by Section 41A.04, Tax Code, as added by this Act; and (2) establish a registry of qualified arbitrators as provided by Section 41A.06(a), Tax Code, as added by this Act.

No equivalent provision.

SECTION 3. Same as House version.

CONFERENCE

Sec. 41A.13. Same as Senate version.

SECTION 2. Same as Senate version.

Same as Senate version.

SECTION 3. Same as House version.