

BILL ANALYSIS

S.B. 731
By: Bettencourt
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties contend that more property owners should be able to take their property tax protests to binding arbitration by qualifying more properties for arbitration. S.B. 731 seeks to address this issue by increasing the maximum appraised or market value of property that triggers a property owner's entitlement to appeal certain appraisal review board orders through such arbitration.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 731 amends the Tax Code to increase from \$3 million to \$5 million the maximum appraised or market value of property as determined by an appraisal review board order determining a protest concerning the value of the property that triggers a property owner's entitlement to appeal such an order through binding arbitration. The bill sets the amount of the arbitration deposit to appeal an appraisal review board order through binding arbitration at \$1,550 if the property does not qualify as the owner's residence homestead under statutory provisions concerning residence homestead exemptions and the appraised or market value, as applicable, of the property is more than \$3 million but not more than \$5 million, as determined by the order. The bill, with regard to the same property, sets the maximum fee for which an eligible person must agree to conduct an arbitration to qualify to serve as an arbitrator at \$1,500.

EFFECTIVE DATE

September 1, 2017.