

BILL ANALYSIS

C.S.H.B. 1333
By: Krause
Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

It has been suggested that the current property tax appraisal process is difficult to fully understand for many homeowners and that it could benefit from some changes to improve transparency and encourage homeowner engagement. C.S.H.B. 1333 seeks to reform and bring increased transparency to the operation of appraisal districts and the appraisal process more generally.

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

C.S.H.B. 1333 amends the Tax Code to require, on the written request of the owner of a residential property that is occupied by the owner as the owner's principal residence, the chief appraiser of the appraisal district in which the property is located to send to the owner's email address each notice required by the Property Tax Code related to a change in the property's value; the eligibility of the property for an exemption; or the grant, denial, cancellation, or other change in the status of an exemption or exemption application applicable to the property. The bill requires the property owner to provide the email address to which the chief appraiser must send the notices in the written request, expressly does not require the chief appraiser to mail the same notice to the property owner, and establishes that the written request remains in effect until revoked by the property owner in a written revocation filed with the chief appraiser. The bill requires the chief appraiser to send an email to the address provided by the property owner requesting email delivery confirming the owner's request to receive notices electronically before the chief appraiser may deliver the notices by email. The bill requires the chief appraiser of an appraisal district that maintains a website to provide a form on the website that a property owner may use to electronically make a request for the delivery of applicable notices by email.

C.S.H.B. 1333 prohibits an officer or employee of a taxing unit that participates in an appraisal district from being employed by the district.

C.S.H.B. 1333 requires the chief appraiser of each appraisal district to maintain a list of licensed real estate brokers or sales agents, licensed or certified real estate appraisers, and registered property tax consultants who have designated themselves as an individual who will provide free assistance to an owner of residential property that is occupied by the owner as the owner's principal residence. The bill requires the chief appraiser, on the request of such an owner, to

provide to a property owner a copy of such a list. The bill sets out requirements for the list's contents and organization and requires the list to be made available on the appraisal district's website, if one is maintained. The bill requires a person to designate himself or herself as an individual who will provide free assistance by completing a form prescribed by the chief appraiser and submitting the form to the chief appraiser.

C.S.H.B. 1333 repeals the requirement for a chief appraiser to include in the notice of appraised value sent to the owner of residential real property that has not qualified for a residence homestead exemption in the current tax year the address of which the appraisal district's records indicate is also the owner's address a specified statement informing the property owner of eligibility for a residence homestead property tax exemption. The bill requires the chief appraiser instead to send to such a property owner a prescribed notice of residence homestead exemption eligibility that is accompanied by an application form for such an exemption. If the property owner has elected to receive notices by email under the bill's provisions, the notice must be sent in that manner and separately from any other notice sent to the property owner by the chief appraiser.

C.S.H.B. 1333 requires a chief appraiser to deliver a clear and understandable written notice to a property owner that an exemption or partial exemption that was approved for the preceding year was canceled or reduced for the current year, on the following schedule:

- by April 1 or as soon thereafter as practicable, if the property is a single-family residence that qualifies for a residence homestead exemption; or
- by May 1 or as soon thereafter as practicable, in connection with residential property that does not qualify for such an exemption.

The bill requires notice provided to a property owner that has elected to receive notices by email under the bill's provisions to be sent in that manner regardless of whether the information was also included in a notice of appraised value and to be sent separately from any other notice sent to the property owner by the chief appraiser.

C.S.H.B. 1333 repeals Section 25.19(b-2), Tax Code.

EFFECTIVE DATE

January 1, 2020.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1333 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes among the required notices the chief appraiser must send to a property owner's email address on request notice relating to the eligibility of the property for an exemption.

The substitute includes a requirement for the chief appraiser to send an email to the property owner's address confirming the owner's request to receive notices electronically before delivering a notice by email and a requirement to provide a form on the appraisal district's website, if applicable, that a property owner may use to electronically make a request to receive notices by email.

The substitute does not include a provision making employees and officers of a taxing unit that participates in an appraisal district ineligible to serve on the district's board of directors.

The substitute includes a provision setting out the required contents of the list of certain

professionals who have designated themselves as an individual who will provide free assistance to a residential property owner and requirements for that list's organization and online publication.

The substitute includes a requirement for a person to designate himself or herself as an individual who will provide such free assistance in a certain specified manner.

The substitute does not include a specification that cosmetic defects of a property are included among the individual characteristics that affect a property's market value upon which each property is required to be appraised.

The substitute conditions the requirement that certain notices be sent separately from any other sent notice on the property owner to whom notice is provided having elected to receive notices by email and specifies that those notices are to be sent by email.