

## **BILL ANALYSIS**

S.B. 1421  
By: Bettencourt  
Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Business personal property can be difficult to locate and complicated to value. Taxpayers are currently required to report their business personal property to appraisal districts by April 15, unless they obtain an extension to May 15. Since rendition statements are due during the busiest time of year for tax preparers, mistakes are common. It has been suggested that taxpayers should be allowed to correct errors on their rendition statements, just as they are allowed to correct errors on their tax returns. S.B. 1421 seeks to allow an appraisal review board to change the appraisal roll or related appraisal records for the current tax year and for either of the two preceding tax years to correct an inaccuracy in the appraised value of a property owner's tangible personal property that is the result of an error or omission in a rendition statement or property report.

### **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. 1421 amends the Tax Code to authorize an appraisal review board (ARB), on motion of the chief appraiser or of a property owner, to direct by written order changes in the appraisal roll or related appraisal records for the current tax year and for either of the two preceding tax years to correct an inaccuracy in the appraised value of the owner's tangible personal property that is the result of an error or omission in a rendition statement or property report filed for the applicable tax year. The roll may not be changed for any tax year in which one of the following occurred:

- the property owner failed to timely file the rendition statement or property report and was assessed a penalty;
- the property was the subject of a taxpayer protest brought by the property owner, a hearing on the protest was conducted in which the owner offered evidence or argument, and the ARB made a determination of the protest on the merits;
- the property was the subject of a previous motion filed by the property owner to correct the roll and either:
  - the chief appraiser and the owner agreed to the correction;
  - the ARB determined the motion; or
  - the ARB determined that the owner forfeited the right to a final determination of the motion for failing to comply with applicable prepayment requirements; or
- the property's appraised value was established as a result of a written agreement between the property owner or the owner's agent and the appraisal district.

**EFFECTIVE DATE**

September 1, 2021.