

BILL ANALYSIS

Senate Research Center
80R951 JPL-D

S.B. 801
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Finance
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Although appraisal districts are instructed to coordinate their appraisal activities to the extent practicable, tax bills inadvertently have had different owner names, addresses, and exemptions because taxpayers are unaware of the multiple filing requirements. Also, harmonizing property appraisal values between appraisal districts at the lowest value on May 1, as required by law, and the ability of taxpayers to protest noticed value in more than one district creates confusion and can lead to delay in certification of the appraised value for tax billing.

As proposed, S.B. 801 updates the statutes relating to appraisal districts to eliminate the requirement that the taxing unit must combine two or more appraisal rolls to calculate its tax roll and mail tax bills.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 6.02(a) and (b), Tax Code, as follows:

- (a) Provides that the appraisal district's boundaries are the same as the county's boundaries.
- (b) Provides that this section does not preclude the board of directors of two or more adjoining appraisal districts from providing for the operation of a consolidated appraisal district by interlocal contract. Deletes existing text regarding a taxing unit that has boundaries in two or more counties.

SECTION 2. Amends Section 41.097(a), Education Code, to provide provide the calculation necessary to determine the total amount required for a district to purchase attendance credits under this subchapter.

SECTION 3. Amends Section 41.210(b), Education Code, to require the chief appraiser of the appraisal district in which the property is located, rather than the appraisal district for the school district from which the property is detached, to send a written notice of the detachment and annexation to the owner of any property taxable in a different school district as soon as practicable after the detachment and annexation of property.

SECTION 4. Repealer: Section 13.007 (Boundary Changes Resulting In Appraisal District Changes), Education Code; Sections 6.02(c)-(g), 6.025 (Overlapping Appraisal Districts; Joint Procedures), and 6.03(m) (regarding the participation of a school district in an appraisal district), Tax Code.

SECTION 5. (a) Makes application of this Act relating to the appraisal of property for ad valorem tax purposes prospective to the tax year beginning on or after January 1, 2008.

- (b) Provides that the term of each appraisal district director in an appraisal district described by Section 6.025, Tax Code, serving a staggered term that but for this subsection would expire after January 1, 2008, expires on January 1, 2008. Requires the

appraisal district board of directors to fill the vacant directorships as soon as practicable after January 1, 2008, as provided by Section 6.03(1), Tax Code.

(c) Entitles a taxing unit, notwithstanding Section 6.03, Tax Code, to vote in 2007 for appraisal district directors for terms beginning on January 1, 2008, in each appraisal district in which the taxing unit will participate in 2008 under the law as amended by this Act. Sets forth the calculations to determine the voting entitlement of each taxing unit entitled to vote for directors in 2007 for each appraisal district.

(d) Entitles a taxing unit located in two or more counties to vote in the appraisal district established for each county in which it is located, but provides that only the taxes imposed in 2006 in the county for which a district is established are used to calculate the 2007 voting entitlement in that district.

(e) Requires the chief appraiser of each appraisal district, notwithstanding Section 6.06, Tax Code, to revise the proposed 2008 budget for the district, if necessary, to account for the changes in law made by this Act not later than September 15, 2007.

(f) Provides that, notwithstanding Section 6.06, Tax Code, for the 2008 tax year, each taxing unit participating in an appraisal district in 2008 is allocated a portion of the amount of the 2008 budget for the district equal to the proportion that the total dollar amount of property taxes imposed in the county for which the district is established by the unit for the 2007 tax year bears to the sum of the total dollar amount of property taxes imposed in the county by each participating unit for that year. Provides that only the 2007 taxes imposed in the county for which a district is established are used to calculate the unit's cost allocations for 2008 in that district if a taxing unit participates in two or more appraisal districts in 2008.

SECTION 6. (a) Effective date, except as provided by Subsection (b) of this section: January 1, 2008.

(b) Effective date, this section and SECTION 5: September 1, 2007.