

BILL ANALYSIS

Senate Research Center
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H.B. 2282
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Finance
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, county appraisal districts do not accept taxpayers' findings in the appraisal protest process. Further, appraisal districts and property owners who are in a value dispute only have the option to go to district court and settle these cases. This process can be expensive and time consuming for both the county appraisal district and the taxpayer. Interested parties contend that, in certain counties, the appraisal protest of an appraisal review board decision in an amount less than \$10,000 would be better heard in a justice court, rather than a district court.

H.B. 2282 requires the county appraisal district board and chief appraiser to review taxpayer evidence before an appraisal protest hearing to avert costly legal action. H.B. 2282 also amends the local Tax Code so a taxpayer may bring an appraisal dispute to a justice court in certain counties, if the dispute is \$10,000 or less.

H.B. 2282 amends current law relating to the procedures for protests and appeals of certain ad valorem tax determinations.

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 Section 41.45(b), Tax Code, as follows:

(b) Authorizes the property owner to offer the owner's evidence or argument, rather than his evidence or argument, by affidavit without personally appearing if the owner, rather than he, attests to the affidavit before an officer authorized to administer oaths and submits the affidavit to the board hearing the protest before it begins the hearing on the protest. Entitles the chief appraiser to a copy of the affidavit on request, rather than authorizes the chief appraiser to inspect the affidavit and entitles the chief appraiser to a copy on request. Requires the board and the chief appraiser to review the evidence or argument provided by the property owner before the hearing on the protest.

SECTION 2. Amends Chapter 42, Tax Code, by adding Subchapter B-1, as follows:

SUBCHAPTER B-1. APPEALS FROM APPRAISAL REVIEW BOARD DETERMINATIONS IN CERTAIN COUNTIES

Sec. 42.35. **APPLICABILITY OF SUBCHAPTER.** Provides that this subchapter applies only to the appeal of an order issued by an appraisal review board that is located in a county:

- (1) that has a population of less than 45,500;
- (2) that shares a border with a county that has a population of 1.5 million or more and is within 200 miles of an international border; and

(3) through which the Atascosa River flows.

Sec. 42.36. APPEALS TO JUSTICE COURT. (a) Authorizes a property owner, as an alternative to bringing an appeal under Section 42.01(a)(1) (entitling a property owner to appeal an order of the appraisal review board) to a district court as provided by Subchapter B, to bring the appeal to a justice court if:

(1) the appeal relates only to a determination of appraised value or eligibility for an exemption from taxation; and

(2) the amount of taxes due on the portion of the taxable value of the property that is in dispute, calculated using the preceding year's tax rates, is \$10,000 or less.

(b) Provides that venue of an action brought under Section 42.01(a)(1) in justice court is in any justice precinct in the county in which the appraisal review board that issued the order appealed is located.

(c) Requires the court, if the justice court determines that the justice court does not have jurisdiction of the appeal, to dismiss the appeal. Authorizes the property owner, in that event, to appeal the order to a district court by filing a petition for review with the district court not later than the 30th day after the date of the dismissal.

(d) Provides that Sections 42.21 (Petition for Review), 42.23 (Scope of Review), 42.24 (Action by Court), 42.25 (Remedy for Excessive Appraisal), and 42.26 (Remedy for Unequal Appraisal) apply to an appeal brought under Section 42.01(a)(1) to a justice court in the same manner as those sections apply to an appeal brought under Section 42.01(a)(1) to a district court.

Sec. 42.37. REPRESENTATION IN JUSTICE COURT. Provides that an appraisal district, in an appeal brought under Section 42.01(a)(1) to a justice court, may be, but is not required to be, represented by legal counsel.

Sec. 42.38. JUSTICE COURT JUDGMENT NOT APPEALABLE. Provides that the final judgment of a justice court in an appeal to the justice court brought under Section 42.01(a)(1) may not be appealed by any person.

SECTION 3. Provides that the change in law made by this Act applies to the appeal of an order of an appraisal review board without regard to whether the order was issued before the effective date of this Act.

SECTION 4. Effective date: September 1, 2015.