

BILL ANALYSIS

Senate Research Center
84R10424 T

S.B. 773
By: Hancock
Finance
3/3/2015
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Property owners in Texas have the right to protest property appraisals if they believe their property has been appraised above market value, or if they believe they have been impacted negatively by appraisals that are not equal and uniform.

The Tax Code requires equity to be determined using market value and standards "consistent with generally accepted appraisal standards." However, neither statute nor professional standards define what constitutes "equal and uniform."

Modifying this relief provision for equity appeals and providing more consistent guidance for property owners and appraisal districts to determine property values would help ensure that appeals of equal and uniform appraisals are considered consistently across the state.

S.B. 773 ensures all property owners are treated equally by providing standards for appeals of equal and uniform appraisals.

As proposed, S.B. 773 amends current law relating to the requirement a protest or appeal based upon inequality of appraisal be determined by the application of generally accepted appraisal methods and techniques.

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 23.01, Tax Code, by adding Subsection (f), as follows:

(f) Requires that the selection of comparable properties and the application of appropriate adjustments for the determination of an appraised value of property under Sections 41.43(b)(3) (requiring that a protest on the ground of unequal appraisal of property be determined in favor of the protesting party unless the appraisal district establishes that the appraised value of the property is equal to or less than the median appraised value of a reasonable number of comparable properties appropriately adjusted) and 42.26(a)(3) (requiring the district court grant to relief on the ground that a property is appraised unequally if the appraised value of the property exceeds the median appraised value of a reasonable number of comparable properties appropriately adjusted) of this code be based upon the application of generally accepted appraisal methods and techniques.

SECTION 2. Effective date: January 1, 2016.