

BILL ANALYSIS

Senate Research Center

S.B. 182
By: Nixon
Finance
3/12/1999
As Filed

DIGEST

Currently there are two methods of appraising leaseholds: the possessory method and the equity method, but the law is ambiguous as to which method appraisal districts must use. S.B. 182 would require an appraiser to use the equity method to make certain determinations and calculations for real property.

PURPOSE

As proposed, S.B. 182 requires an appraiser to use the equity method to make certain determinations and calculations for real property.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 23.12, Tax Code, to require an appraiser of real property to use the equity method of valuation for an appraisal, subject to limitation in Subsection (b). Sets forth the equity method. Makes conforming changes.

SECTION 2. Effective date: September 1, 1999.

SECTION 3. Emergency clause.