

BILL ANALYSIS

Senate Research Center
80R1046 SMH-D

S.B. 390
By: Hegar
Finance
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, a homeowner is allowed to appeal or protest the appraised value of a residence homestead before the appraisal review board, which assesses the appraised value and determines whether to uphold or reduce that value. Homeowners who are successful in reducing their home's appraised value, however, are not exempt from having to go through the same appeals and protest process the following year.

As proposed, S.B. 390 prohibits an increase in the appraised value of a homestead in the year immediately following a successful appeal or protest.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter A, Chapter 23, Tax Code, by adding Section 23.04, as follows:

Sec. 23.04. TEMPORARY PROHIBITION ON INCREASING APPRAISED VALUE OF RESIDENCE HOMESTEAD. (a) Prohibits the appraised value of a residence homestead from exceeding the appraised value of the homestead for the preceding tax year if the appraised value of the property as determined by the chief appraiser for the preceding tax year was reduced by the appraisal review board and not overturned on appeal or as a result of the final determination of an appeal.

(b) Provides that this section does not apply to property that does not qualify for an exemption under Section 11.13 (Residence Homestead) in both the current tax year and the preceding tax year.

(c) Provides that Subsection (a) does not prohibit an increase in appraised value attributable to a new improvement, as defined by Section 23.23(e).

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: January 1, 2008.