

BILL ANALYSIS

Senate Research Center

H.B. 2083
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Finance
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Engrossed

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 as "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.

H.B. 2083 ensures all property owners are treated equally by providing standards for appeals of equal and uniform appraisals.

H.B. 2083 amends current law relating to the determination of the appraised value of property for purposes of an ad valorem tax protest or appeal.

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 Subsections (f) and (g), 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) or 42.26(a)(3) (requiring the district court to grant 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) be based upon the application of generally accepted appraisal methods and techniques. Requires that adjustments be based on recognized methods and techniques that are necessary to produce a credible opinion.

(g) Entitles property owners representing themselves, notwithstanding any other provision of this section, to offer an opinion of and present argument and evidence related to the market and appraised value or the inequality of appraisal of the owner's property.

SECTION 2. Effective date: January 1, 2016.