

BILL ANALYSIS

Senate Research Center
86R2670 CJC-F

S.B. 956
By: Bettencourt
Property Tax
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Business personal property can be difficult to locate and complicated to value. Taxpayers are currently required to report their business personal property to appraisal districts by April 15, unless they obtain an extension to May 15. Since rendition statements are due during the busiest time of year for tax preparers, mistakes are common. Taxpayers should be allowed to correct errors on their rendition statements, just as they are allowed to correct errors on their tax returns.

As proposed, S.B. 956 amends current law relating to the correction of an ad valorem tax appraisal roll and related appraisal records. It allows an appraisal review board to change the appraisal roll or related appraisal records for the current tax year and for either of the two preceding tax years to correct an inaccuracy in the appraised value of the owner's tangible personal property that is the result of an error or omission in a timely-filed rendition statement or property report.

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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 25.25, Tax Code, by adding Subsection (c-1) and amending Subsections (e) and (m), as follows:

(c-1) Authorizes the appraisal review board (ARB), on motion of the chief appraiser or of a property owner, to direct by written order changes in the appraisal roll or related appraisal records for the current tax year and for either of the two preceding tax years to correct an inaccuracy in the appraised value of the owner's tangible personal property that is the result of an error or omission in a rendition statement or property report filed under Chapter 22 (Renditions and Other Reports) for the applicable tax year. Prohibits the roll from being changed under this subsection for any tax year in which:

(1) the property owner failed to timely file the rendition statement or property report in accordance with Section 22.23 (Filing Date) and was assessed a penalty under Section 22.28 (Penalty for Delinquent Report; Penalty Collection Procedures);

(2) the property was the subject of a protest brought by the property owner under Chapter 41 (Local Review), a hearing on the protest was conducted in which the owner offered evidence or argument, and the ARB made a determination of the protest on the merits;

(3) the property was the subject of a previous motion filed by the property owner under this section and the chief appraiser and the owner agreed to the correction, ARB determined the motion, or ARB determined that the owner forfeited the

right to a final determination of the motion for failing to comply with the prepayment requirements of Section 25.26 (Forfeiture of Remedy for Nonpayment of Taxes); or

(4) the appraised value of the property was established as a result of a written agreement between the property owner or the owner's agent and the appraisal district.

(e) and (m) Makes conforming changes.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2019.