

PROPERTY TAX BILLS IN THE 2019 TEXAS LEGISLATURE 86th REGULAR SESSION

Last Updated: July 6, 2019

The legislative session is over. So has the period during which the Governor can veto bills. He vetoed only one of the bills that we were following. The rest will become law or they have already become law.

In this report, bills are separated into two list, those that were passed and those that died. The bills that were passed are listed first. Then, in gray type there is the list of bills that died.

The bills that made progress are marked with stars according to the following sequence.

- ★ Bill has come out of committee in the house in which it was filed
- ★★ Bill has passed the house in which it was filed
- ★★★ Bill has come out of committee in the other house
- ★★★★ Bill has been passed by both houses
- ★★★★★ Bill is finally enacted, subject to voter approval of constitutional amendments

Bills that Passed

Exemptions

H.B. 492 ★★★★★

Author: Shine

Amends/Enacts: §§11.35, 11.42, 11.43, 11.45, 23.02, 26.012, 41.03, 41.41, and 41.44 Tax Code; §403.302 Government Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2020 (if constitutional amendment approved by voters)

H.J.R. 34 ★★★★★

Author: Shine

Amends/Enacts: Art VIII, §2 Texas Constitution

Status: Passed by both houses; election November 5, 2019

Effective: January 1, 2020 (if approved by voters)

This bill concerns improvements, rendered bpp and manufactured homes damaged in a natural disaster. It repeals the law under which a taxing unit can direct an appraisal district to reappraise such property at its post-disaster value. Instead it provides a temporary exemption for the damaged property. A property owner can apply for the exemption up until 105 days after the Governor's disaster declaration. In response to a property owner's application, the appraisal district will determine which of four levels the damage falls under. The district will then exempt a portion of the value of every item of qualifying property according to the following table:

Level	Extent of Damage	Exemption
Level I	Damage of at least 15% but less than 30%	15%
Level II	Damage of at least 30% but less than 60%	30%
Level III	Damage of at least 60% but less than a total loss	60%
Level IV	Total loss	100%

The exemption will then be prorated based on when the disaster happened. Exemptions will be larger when disasters occur earlier in a year. An exemption expires on January 1 of the next year in which the property is reappraised as part of the appraisal district's regular reappraisal plan.

The rules are different if a disaster is declared after a taxing unit adopts its tax rate. Then, the exemption is optional. The taxing unit's governing body has sixty days to decide whether to grant it. If the governing body grants the exemption, property owners will then have forty-five days in which to file applications.

H.B. 1526 ★★★★★
Author: Cecil Bell
Amends/Enacts: §11.161 Tac Code
Status: Passed by both houses; signed by Governor
Effective: January 1, 2020

"Nursery stock weather protection units," i.e., hoop greenhouses will be exempted as implements of farming and ranching.

H.B. 2441 ★★★★★
Author: Wray
Amends/Enacts: §11.31 Tax Code
Status: Passed by both houses; signed by Governor
Effective: January 1, 2020

A homeowner who was both over 65 and disabled may receive both types of exemption on the same property in the same year, *but not from the same taxing unit*. For example, the homeowner might receive an over-65 exemption from the county and a disability exemption from the city.

H.B. 2859 ★★★★★
Author: Capriglione
Amends/Enacts: §§11.35 and 11.43 Tax Code
Status: Passed by both houses; signed by Governor
Effective: January 1, 2010 (if constitutional amendment approved by voters)

H.J.R. 95 ★★★★★

Author: Capriglione

Amends/Enacts: Art. VIII, §1-p Texas Constitution

Status: Passed by both houses: election November 5, 2019

Effective: January 1, 2010 (if approved by voters)

This proposed constitutional amendment and related bill would create an exemption for precious metals held in a depository.

H.B. 3143 ★★★★★

Author: Murphy

Amends/Enacts: §§312.002, 312.005, and 312.006 Tax Code

Status: Passed by both houses, signed by Governor

Effective: September 1, 2019

A taxing unit's governing body contemplating adopting, changing, repealing, or reauthorizing the unit's guidelines and criteria for tax abatements must hold a public hearing first. A taxing unit must post its guidelines and criteria on its website. When a taxing unit's governing body meets to consider approving a tax abatement, its open-meeting notice must be posted at least thirty days before the meeting and include specified information. When a tax-abatement agreement expires, the appraisal district will report the appraised value of the property to the comptroller in each of the next three years. The life of the Tax Abatement Act is extended through will expire September 1, 2029.

S.B. 2 ★★★★★

Author: Bettencourt

Amends/Enacts: §§1.045, 1.07, 1.085, 1.086, 5.01, 5.041, 5.043, 5.05, 5.07, 5.09, 5.091, 5.102, 5.103, 5.104, 5.13, 6.035, 6.054, 6.15, 6.16, 6.41, 6.412, 6.414, 6.42, 6.425, 11.24, 11.4391, 22.23, 23.01, 25.19, 25.192, 25.193, 26.01, 26.012, 26.013, 26.04, 26.041, 26.043, 26.044, 26.0441, 26.0442, 26.045, 26.05, 26.052, 26.06, 26.061, 26.062, 26.063, 26.065, 26.07, 26.075, 26.08, 26.16, 26.17, 26.18, 31.12, 33.08, 41.03, 41.12, 41.44, 41.45, 41.46, 41.461, 41.66, 41.67, 41.71, 41A.03, 41A.06, 41A.061, 41A.07, 41A.09, and 42.081 Tax Code; §403.302 Government Code; §§281.107, 281.124 Health and Safety Code; §§102.007, 111.008, 111.039, 111.068, and 140.010 Local Government Code; §§1063.255, 1101.254, 1122.2522, 3828.157, and 8876.152 Special District Local Laws Code; §§49.057, 49.107, 49.108, 49.236, 49.23601, 49.23602, 49.23603, and 49.2361 Water Code

Status: Passed by both houses; signed by Governor

Effective: Some provisions become effective September 1, 2019 and others January 1, 2020.

A taxing unit that grants a historic-site exemption for a property may not later repeal the exemption or reduce its amount without giving the property owner at least five years advance notice. That advance notice will not be necessary if the owner consents to having the exemption repealed or reduced.

If an appraisal district sends a property owner notice requiring the owner to file a rendition or report, the owner may file an application for a freeport exemption up until sixty days after the delivery of that notice. Otherwise, the exemption application must be filed *on or before* June 15.

If a residential property is not receiving a homestead exemption even though it is the owner's address, the appraisal district will send a notice explaining the owner's right to apply for the exemption. The notice must be accompanied by an exemption application form. The bill details

the exact language of the notice, even the size of the type. The notice will apparently have to be sent each year until the property begins receiving a homestead exemption. If a property owner has chosen to receive notices by e-mail, the notice may be e-mailed.

If an exemption applicable to a residential property is reduced or cancelled in a year, the appraisal district will send a notice to the property owner. Notices pertaining to homestead exemptions will go out by April 1, and notices pertaining to other residential properties will go out by May 1. The notice may be e-mailed if that is how the owner has chosen to receive notices.

This bill is also discussed under the headings: *Appraisals; Appraisal Districts and ARBs; Appeals; Assessment; School Finance and Value Studies; and Miscellaneous.*

S.B. 58 ★★★★★

Author: Zaffirini

Amends/Exempts: §11.252 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2019

This bill exempts vehicles leased to the state or a local government. It also exempts vehicles leased to §501(c)(3) organizations and used exclusively for religious, educational or charitable purposes. It will allow a lessor to keep an electronic image of the form on which a lessee states that a vehicle will not be used for business or a certified copy of the form instead of keeping the original form.

S.B. 443 ★★★★★

Author: Hancock

Amends/Enacts: §11.135 Tax Code

Status: Passed by both houses; sent to Governor

Effective: June 4, 2019

This bill concerns property owners who continue to receive homestead exemptions when their homes are rendered uninhabitable by a casualty or by wind or water damage. Under current law, the exemption can continue for two years before an owner has to be living in a replacement structure. This bill extends that period to five years if the first home is damaged by a disaster declared by the governor. This is intended to help victims of Hurricane Harvey who have faced delays in having their homes rebuilt.

S.B. 579 ★★★★★

Author: Hughes

Amends/Enacts: Subchapter D, Chapter 3503, Special District Local Laws Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2020

The TexAmerica Center is a special purpose district created to accept title to closed military bases. This bill makes leaseholds granted by the Center exempt from taxation under Tax Code Section 11.11 and also waives the requirement that such a leasehold be listed in the name of the lessee.

S.B. 1943 ★★★★★

Author: Watson

Amends/Enacts: §§1.04, 5.061, 11.26, 11.261, 11.41, 11.43, 11.49, 33.06, and 33.065 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2019

This bill defines “heir property” as a property that someone occupies as a homestead and claims to own through inheritance. The person may receive a homestead exemption for the property even if there were nothing in the county’s deed records showing a conveyance to him/her. The exemption application must include: 1) an affidavit establishing the person’s ownership; 2) a copy of the prior owner’s death certificate; 3) a copy of the most recent utility bill for the property; and 4) a citation to any court record relating to the person’s claim of ownership. The application form may not require the applicant to provide a copy of a recorded instrument of title. The form must provide a way for an applicant to state that the property was heir property. Each owner who occupies the property as a homestead will have to provide an affidavit authorizing the submission of the application. A person who receives a homestead exemption for heir property will be treated as the property’s sole owner and receive all homestead benefits. An appraisal district or ARB granting the exemption does not establish the legal title to the property for other purposes. A lawsuit contesting the ownership of the property may not include the appraisal district, the ARB or a taxing unit as a party.

The comptroller will electronically publish a pamphlet to assist people claiming homestead exemptions. The pamphlet will include: information about how a person can claim the exemption for heir property; information about how the State Bar of Texas might help the person get pro bono legal assistance; and a description about how the person would record his/her interest in the county’s deed records.

Appraisals

H.B. 639 ★★★★★

Author: Springer

Amends/Enacts: §23.51 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2021

An ecological laboratory can qualify for an open-space agricultural appraisal in a year only if it had been used principally for that purpose for five of the seven preceding years.

H.B. 1254 ★★★★★

Author: Murphy

Amends/Enacts: §23.42 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2020

Current law says that land cannot be appraised as open-space agricultural land if it is used to secure a home-equity loan. This bill would repeal that rule.

H.B. 1409 ★★★★★

Author: Ashby

Amends/Enacts: §§23.72, 23.765, 23.9802, and 23.9808 Tax Code

Status: Passed by both Houses; signed by Governor

Effective: September 1, 2019

Land could qualify as timber land or restricted-use timberland even if part of it were used for related purposes such as a road, buffer area, or firebreak or if part of it were subject to a right-of-way taken by eminent domain. Land would not cease to qualify if part of it were used for oil and gas operations.

H.B. 1815 ★★★★★

Author: Sanford

Amends/Enacts §21.09 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2020

Under current law, a property owner seeking interstate allocation of its property value must file an application with the appraisal district before April 1. This bill will allow the owner to file the application any time before May 1.

H.B. 3348 ★★★★★

Author: Guillen

Amends/Enacts: §§23.426 and 23.526 Tax Code

Status: Passed by both houses; signed by Governor

Effective: May 21, 2019

Land will not cease to qualify for agricultural appraisal even if it ceases to be devoted principally to agricultural use to the degree of intensity generally accepted in the area if the cessation is the result of a tick infestation. The land must be subject to a temporary quarantine established at any time during the year by the Texas Animal Health Commission. The property owner must notify the appraisal district within thirty days after land is designated as a tick eradication area and within thirty days after the quarantine ended.

S.B. 2 ★★★★★

Author: Bettencourt

Amends/Enacts: §§1.045, 1.07, 1.085, 1.086, 5.01, 5.041, 5.043, 5.05, 5.07, 5.09, 5.091, 5.102, 5.103, 5.104, 5.13, 6.035, 6.054, 6.15, 6.16, 6.41, 6.412, 6.414, 6.42, 6.425, 11.24, 11.4391, 22.23, 23.01, 25.19, 25.192, 25.193, 26.01, 26.012, 26.013, 26.04, 26.041, 26.043, 26.044, 26.0441, 26.0442, 26.045, 26.05, 26.052, 26.06, 26.061, 26.062, 26.063, 26.065, 26.07, 26.075, 26.08, 26.16, 26.17, 26.18, 31.12, 33.08, 41.03, 41.12, 41.44, 41.45, 41.46, 41.461, 41.66, 41.67, 41.71, 41A.03, 41A.06, 41A.061, 41A.07, 41A.09, and 42.081 Tax Code; §403.302 Government Code; §§281.107, 281.124 Health and Safety Code; §§102.007, 111.008, 111.039, 111.068, and 140.010 Local Government Code; §§1063.255, 1101.254, 1122.2522, 3828.157, and 8876.152 Special District Local Laws Code; §§49.057, 49.107, 49.108, 49.236, 49.23601, 49.23602, 49.23603, and 49.2361 Water Code

Status: Passed by both houses; signed by Governor

Effective: Some provisions become effective September 1, 2019 and others January 1, 2020.

Appraisal Districts will be responsible for appraising property in accordance with appraisal manuals that the comptroller is required by law to prepare. (The bill does not require the Comptroller to create any new appraisal manuals.) Any such manuals must be based on

generally accepted appraisal methods and techniques. A MAP review or audit will consider whether an appraisal district is following the comptroller's manuals.

Appraisal methods included in certain publications are considered "generally accepted" methods and techniques for property-tax purposes. Those publications include: the Appraisal Institute's *Appraisal of Real Estate* and *Dictionary of Real Estate Appraisal*; USPAP; and "a publication that includes information related to mass appraisal."

An owner of a residence homestead may request that an appraisal district deliver by e-mail notices related to the value or exemption of the property. The request may be written or made using the appraisal district's website. Before delivering a notice by e-mail, the district must send the owner an e-mail confirming the owner's request. An owner's request remains in effect until it is revoked in writing.

The rendition deadline is extended for properties regulated by the Public Utility Commission, the Railroad Commission, the federal Surface Transportation Board, or the Federal Energy Regulatory Commission. The ordinary deadline is still April 30, but an appraisal will have to extend it until May 15 if the property owner files a written request. The district may extend the deadline an additional fifteen days for good cause.

A notice of appraised value will no longer include what the taxes on the property would be based on the preceding year's rate.

This bill is also discussed under the headings: *Appraisals; Appraisal Districts and ARBs; Appeals; Assessment; School Finance and Value Studies; and Miscellaneous.*

S.B. 812 ★★★★★

Author: Lucio

Amends/Enacts: §23.23 Tax Code

Status: Passed by both houses; signed by Governor

Effective: May 7, 2019

This bill concerns the cap on year-to-year increases in the value of a homestead that is rendered uninhabitable and then replaced. A replacement structure that might otherwise be considered a new improvement will not be so considered if it is built to satisfy the requirements of a particular "disaster recovery program" set out in a specific federal law. This bill would delete the reference to that particular federal law. The rule concerning a disaster recovery program would apply to any program funded with community development block grants authorized by federal law. The disaster recovery program could be administered by the General Land Office or by a local government.

S.B. 2060 ★★★★★

Author: Menendez

Amends/Enacts: §25.19 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2020

A notice of appraised value would have to include an explanation of every total or partial exemption available to: people over 65; disabled people; disabled veterans; and certain surviving spouses.

Appraisal Districts and ARBs

H.B. 1060 ★★★★★

Author: Cecil Bell

Amends/Enacts: §1.085 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2019

A protesting property owner could direct an ARB to deliver notice of his hearing by certified mail or by e-mail. A property owner requesting delivery by certified mail could be required to pay the cost of the postage. The bill does not include important details such as how a property owner would make such a request (in writing, on the telephone, via e-mail, etc.) or how an ARB would collect the cost of certified-mail postage.

H.B. 1313 ★★★★★

Author: Phil King

Amends/Enacts: §§11.26, 23.01, and 41.41 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2020

Under current law, if an appraised value is lowered as a result of a protest or an appeal and if the appraisal district puts a higher value on the property in the next year that it is appraised, the district must have substantial evidence to support the higher value. Under this bill, the district will need clear and convincing evidence to support the higher value.

Neither an appraisal district nor an ARB can charge a fee in connection with a protest.

This bill is also discussed under the heading, *Assessment*.

H.B. 2159 ★★★★★

Author: Meyer

Amends/Enacts: §25.25 Tax Code

Status: Passed by both houses; signed by Governor

Effective: May 29, 2019

An ARB can correct an over-appraisal error concerning a homestead on an appraisal roll if the property owner shows that the appraised value is more than one-fourth too high. For any other property, the property owner will still have to show that the appraised value is more than one-third too high.

H.B. 2179 ★★★★★

Author: Wray

Amends/Enacts: §6.41 Tax Code

Status: Passed by both houses; signed by Governor

Effective: June 10, 2019

Under current law, an ARB member can be removed based on “clear and convincing evidence of repeated bias or misconduct.” This bill would remove the clear-and-convincing-evidence standard. ARB members can be removed more easily.

Property owners and their agents can communicate directly with judges who appoint ARB members about alleged grounds for removing an ARB member.

H.B. 3384 ★★★★★

Author: Shine

Amends/Enacts: §5.102 Tax Code

Status: Passed by both houses; signed by Governor

Effective: June 7, 2019

Instead of a regular MAP review, the comptroller could conduct a more limited review of an appraisal district if the district were located in a disaster area. The district would have to request the limited review and show that its building, computers or records were damaged and unusable for at least thirty days or show that due to extraordinary circumstances, the district did not have the resources to undergo a full MAP review.

S.B. 2 ★★★★★

Author: Bettencourt

Amends/Enacts: §§1.045, 1.07, 1.085, 1.086, 5.01, 5.041, 5.043, 5.05, 5.07, 5.09, 5.091, 5.102, 5.103, 5.104, 5.13, 6.035, 6.054, 6.15, 6.16, 6.41, 6.412, 6.414, 6.42, 6.425, 11.24, 11.4391, 22.23, 23.01, 25.19, 25.192, 25.193, 26.01, 26.012, 26.013, 26.04, 26.041, 26.043, 26.044, 26.0441, 26.0442, 26.045, 26.05, 26.052, 26.06, 26.061, 26.062, 26.063, 26.065, 26.07, 26.075, 26.08, 26.16, 26.17, 26.18, 31.12, 33.08, 41.03, 41.12, 41.44, 41.45, 41.46, 41.461, 41.66, 41.67, 41.71, 41A.03, 41A.06, 41A.061, 41A.07, 41A.09, and 42.081 Tax Code; §403.302 Government Code; §§281.107, 281.124 Health and Safety Code; §§102.007, 111.008, 111.039, 111.068, and 140.010 Local Government Code; §§1063.255, 1101.254, 1122.2522, 3828.157, and 8876.152 Special District Local Laws Code; §§49.057, 49.107, 49.108, 49.236, 49.23601, 49.23602, 49.23603, and 49.2361 Water Code

Status: Passed by both houses; signed by Governor

Effective: Some provisions become effective September 1, 2019 and others January 1, 2020.

Current law prohibits a person from serving on an appraisal district's board of directors during the five years following the last time the person acted as a tax consultant in the county or worked appraising property for tax purposes in the county. This bill will shorten the waiting period to three years.

An officer or employee of a taxing unit may not work for the appraisal district that serves that taxing unit.

The rule prohibiting a chief appraiser and a director from communicating ex parte about appraisals will not prevent a director from transmitting to the chief appraiser a complaint from a property owner or taxing unit about the appraisal of a specific property. The transmission must be in writing.

An appraisal district must maintain a list of people who were willing to provide free assistance to homeowners with respect to their homesteads and who were real estate professionals, appraisers or property tax consultants. The district will post the list on its website and provide a copy to a homeowner on request. In order to be included on the list, a person must submit a form to the district.

The comptroller's training course for new ARB members will have to last at least eight hours. The continuing-education course would have to last at least four hours. People who are not ARB members could be charged up to \$50 for attending a course.

The county population that triggers restrictions on the eligibility of former appraisal district personnel and former officers of taxing units will jump from 100,000 to 120,000. In a county with 120,000 or more people, a member may serve only three terms on an ARB during his lifetime. Terms as an auxiliary member count toward the member's lifetime limit. ARBs in less populous counties will not have term limits at all. In every county, the local administrative judge will appoint the Chair and Secretary of the ARB from among its members. Close relatives may not both serve on an ARB at the same time.

An ARB in a county with 1 million or more people must create "special panels" for properties appraised at \$50 million or more that fall into one of the following property types: 1) commercial; 2) utilities; 3) industrial and manufacturing; and 4) multifamily residential. The \$50 million figure will be adjusted from year to year by the comptroller to reflect inflation. Members of the special panels must have special qualifications such as: a law degree; an MBA; a CPA; an MAI; or various other types of appraisal designations; a CAE; a real estate broker's or sales agent's license; or at least 10 years' experience in property tax appraisal or consulting. If an ARB does not include enough members qualified to serve on a special panel, the empty seats may be filled by any member with a bachelor's degree. A special panel may also hear protests involving ordinary properties, but only if the property owner agrees. A notice of appraised value for a property eligible for a special-panel hearing would have to mention that option. A protest form would include space for a property owner to request a hearing before a special panel. A protest would go before a special panel only if the property were the right type and if the property owner requested it.

A taxing unit will no longer be allowed to challenge appraised values before an ARB.

An ARB may not schedule a hearing on a Sunday, and it may not schedule the first hearing on a protest held on a weekday evening to begin after 7:00 pm.

Under current law, a property owner or agent can file up to twenty protests together and request that they all be heard on the same day, but the person can only do that once with a particular ARB. This bill will allow the person to do that more than once, and the same-day hearings must be consecutive. The rule that prohibits an ARB from making a property owner wait more than two hours for her hearing will be extended to apply to agents. An ARB's ability to schedule consecutive hearings for an agent will be seriously limited. The hearing notice must state the time that the first hearing will start and the time that the last hearing will end and state the exact order of the hearings. The order may not be changed without the agreement of the agent and the district. The ARB may not reschedule a hearing in a group of consecutive hearings to a date earlier than the seventh day after the date the last hearing is scheduled to end unless the parties agree. Such a rescheduling will require seven days written notice to the agent.

An ARB's notice of a hearing would have to identify the "subject matter" of the hearing with sufficient detail to "identify the specific action protested."

An ARB's notice of a hearing must identify the "subject matter" of the hearing with sufficient detail to "identify the specific action protested." Prior to the hearing, the appraisal district, on request, must deliver its evidence to the owner free of charge, not just the evidence that it plans to use. As an alternative to the physical delivery of its evidence, the district may direct the owner to a specific Internet site where the evidence is available or agree with the owner to deliver the evidence

electronically. The owner will still be entitled, on request to have the evidence delivered by mail or produced at the district's office. The district may not even offer verbal testimony or argument about evidence that is excluded under this rule. The district may, however, use evidence that was not produced in advance to rebut the property owner's evidence or arguments.

At the last minute, the legislature added the following inexplicable statement to the bill: "An appraisal review board must schedule a hearing on a protest filed by a property owner who is 65 years of age or older, disabled, a military service member, a military veteran, or the spouse of a military service member or military veteran before scheduling a hearing on a protest filed by a designated agent of a property owner."

A property owner and an appraisal district can agree to request a particular determination from an ARB and also agree that the determination may be appealed. The ARB must issue the agreed order within five days after receiving the request.

An ARB may not require the concurrence of more than a simple majority of its members for any decision. Neither may a panel of ARB members.

An ARB may not set the value of a property higher than the value on the appraisal records going into the hearing unless the property owner agrees.

At the end of a hearing, the ARB or panel must give the owner documents showing that the members who conduct the hearing have signed the affidavit about ex parte communications.

An ARB must send the owner a copy of its order within thirty days after the conclusion of the hearing.

Instead of having an opportunity to take an online survey in an ARB's office, a protesting property will owner given a survey form to complete at the time and place of her choosing. Agents for a property owners and representatives of appraisal districts will also be able to take the survey. A person may take the survey once in connection with each hearing that she attends. The form will allow the person competing it to offer comments and suggestions concerning any matter related to the fairness and efficiency of the ARB. The comptroller will also prepare instructions for taking the survey.

Before or at a hearing, the appraisal district will give a property owner a notice describing her right to take the survey. The ARB or panel will also tell the owner about the survey. If an owner or agent attends multiple hearings on the same day, the district and ARB may give her the notice just once that day. A copy of that notice and a copy of the survey will also be sent to the property owner along with her copy of the ARB's order. A completed survey may be submitted to the comptroller by mail, by e-mail, or on the Internet. An appraisal district will have paper copies of the survey available for people who request them. The bill does not prescribe a time limit for a person to submit the survey, but the comptroller might address issue in a rule. The comptroller will issue annual reports summarizing the survey results.

An appraisal district would create a searchable property tax database. The listing for a property would have to include identifying information, the property's value, and information about the tax rates and truth-in-taxation proceedings of taxing units that tax the property. A property owner would be able to express an opinion about a taxing unit's proposed tax rate.

This bill is also discussed under the headings: *Exemptions; Appraisals; Appeals; Assessment; School Finance and Value Studies; and Miscellaneous.*

S.B. 2531 ★★★★★

Author: Creighton

Amends/Enacts: §41.47 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2020

A property owner and an appraisal district can agree to request a particular determination from an ARB and also agree that the determination may be appealed. The ARB chair must issue the agreed order within five days after receiving the request. If for some reason that doesn't happen, the ARB must issue the order within thirty days following the request.

Appeals

H.B. 380 ★★★★★

Author: Geren

Amends/Enacts: §§42.01 and 42.231

Status: Passed by both houses; signed by Governor

Effective: September 1, 2019

If an ARB determined that it could not hear a protest (or motion) because the property owner had failed to meet some requirement such as filing the protest on time or showing up for his hearing, the property owner could appeal that determination to a court under Chapter 42. If the court determined that the ARB should have heard the protest, it would not send the matter back to the ARB. Instead, the court would consider the property owner's substantive complaint. The owner could even raise new complaints that he had not even tried to raise before the ARB.

If an appraisal district raised a jurisdictional defense to a Chapter 42 appeal claiming that the property owner had failed to exhaust remedies available from the ARB, the court could either dismiss the case or sent it to the ARB. The ARB would hold a hearing on the matter and make a determination, which could be appealed to the court. Or the parties could agree to let the court decide the matter without having the ARB consider it first.

H.B. 861 ★★★★★

Author: Anchia

Amends/Enacts: §42.42 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2019

If a property owner filing an appeal under Chapter 42 paid less than the full assessment on her property and then owed more after the case was finally decided, she could pay the additional amount without penalties or interest as long as she paid it timely.

H.B. 994 ★★★★★☒ *Vetoed by Governor*

Author: Guillen

Amends/Enacts: §§ 41.45, 42.35, 42.36, 42.37, and 42.38 Tax Code

Status: Passed by both houses; sent to Governor

Effective: September 1, 2019

In Atascosa County, property owners will be able to appeal some ARB orders to justice court. The case must involve a residence homestead with an appraised value of \$500,000 or less and a claim of excessive value. In the justice court, the appraisal district will not have to be represented by a lawyer. This part of the bill will expire on September 1, 2025.

H.B. 1802 ★★★★★**Author: Bohac****Amends/Enacts: §41A.03 Tax Code****Status: Passed by both houses; signed by Governor****Effective; May 17, 2019(applies to ARB orders received by property owners on or after Effective date)**

A property owner who chooses to appeal an ARB order through arbitration now has 45 days in which to file his request and deposit. This bill expands that period to 60 days. If the comptroller rejects a property owner's request for arbitration, the comptroller will notify the property owner. The owner has fifteen days to cure any defects in his request.

S.B. 2 ★★★★★**Author: Bettencourt**

Amends/Enacts: §§1.045, 1.07, 1.085, 1.086, 5.01, 5.041, 5.043, 5.05, 5.07, 5.09, 5.091, 5.102, 5.103, 5.104, 5.13, 6.035, 6.054, 6.15, 6.16, 6.41, 6.412, 6.414, 6.42, 6.425, 11.24, 11.4391, 22.23, 23.01, 25.19, 25.192, 25.193, 26.01, 26.012, 26.013, 26.04, 26.041, 26.043, 26.044, 26.0441, 26.0442, 26.045, 26.05, 26.052, 26.06, 26.061, 26.062, 26.063, 26.065, 26.07, 26.075, 26.08, 26.16, 26.17, 26.18, 31.12, 33.08, 41.03, 41.12, 41.44, 41.45, 41.46, 41.461, 41.66, 41.67, 41.71, 41A.03, 41A.06, 41A.061, 41A.07, 41A.09, and 42.081 Tax Code; §403.302 Government Code; §§281.107, 281.124 Health and Safety Code; §§102.007, 111.008, 111.039, 111.068, and 140.010 Local Government Code; §§1063.255, 1101.254, 1122.2522, 3828.157, and 8876.152 Special District Local Laws Code; §§49.057, 49.107, 49.108, 49.236, 49.23601, 49.23602, 49.23603, and 49.2361 Water Code

Status: Passed by both houses; signed by Governor**Effective: Some provisions become effective September 1, 2019 and others January 1, 2020.**

The comptroller will create a training program on property-tax law for arbitrators. An arbitrator will have to complete at least four hours of legal training including training about unequal-appraisal issues. The training may be provided online. The comptroller may contract with someone to assist with the program, but not with someone from an appraisal district, an ARB, or a taxing unit. A fee of up to \$50 per person may be charged for the program. An arbitrator will also have to attend the ARB training courses, both the introductory course and the continuing-education course. The comptroller will approve curricula and create training materials for arbitrators including an arbitration manual. The manual will be updated regularly. The bill says that the manual may be revised in response to a request, but it doesn't say who might make such a request. Any revisions will require the unanimous approval of a committee selected by the comptroller with equal numbers of members representing taxpayers and chief appraisers. The person requesting a revision must pay the cost of mediation (presumably between the members of the committee) if the comptroller determines that mediation is required. An arbitrator who views the program once must view it again if it is substantially revised.

Under current law certain arbitrators who have some connection to a particular appraisal district have to wait five years before they can arbitrate cases involving that appraisal district. This applies to former officers and employees of the district, former members of the ARB, and tax consultants who appeared before the ARB. This bill shortens the waiting period to two years.

Current law allows a property owner to arbitrate the values of two or more contiguous tracts of land with one arbitration deposit. S.B. 2 adds language saying that tracts are contiguous if they are “improved or unimproved tracts of land that are touching or that share a common boundary, as determined using appraisal district records or legal descriptions of the tracts.” The bill makes it clear that the contiguous tracts must be owned by the same owner.

The comptroller will not have to appoint an arbitrator who lives in the county where the property is located. The property owner requesting the arbitration may specify whether he wants an arbitrator in the situs county or an arbitrator outside that county. The comptroller must follow the property owner’s instructions if possible.

When a court appeal is filed, taxing units may not file delinquent-tax suits unless and until the court determines that the property owner failed to make the necessary conditional payment.

This bill is also discussed under the headings: *Exemptions; Appraisals; Appraisal Districts and ARBs; Assessment; School Finance and Value Studies; and Miscellaneous.*

S.B. 1876 ★★★★★

Author: Fallon

Amends/Enacts: §41A.03 Tax Code

Status: Passed by both houses; signed by Governor

Effective: June 10, 2019

Current law allows a property owner to arbitrate the values of two or more contiguous tracts of land with one arbitration deposit. This bill adds language saying that tracts are contiguous if they are “improved or unimproved tracts of land that are touching or that share a common boundary, as determined using appraisal district records or legal descriptions of the tracts.” The bill makes it clear that the contiguous tracts must be owned by the same owner.

Assessment

H.B. 3 ★★★★★

Author: Huberty

Amends/Enacts: §§26.08, 26.151 Tax Code §§13.054, 41.001, 41.003, 41.0031, 41.004, 41.005, 41.006, 41.007, 41.008, 41.009, 41.010, 41.011, 41.012, 41.013, 41.091, 41.092, 41.093, 41.094, 41.095, 41.096, 41.097, 41.099, 41.121, 41.122, 41.123, 41.125, 42.001, 42.002, 42.003, 42.004, 42.005, 42.0051, 42.0052, 42.006, 42.009, 42.101, 42.105, 42.106, 42.151, 42.152, 42.155, 42.158, 42.251, 42.2511, 42.2514, 42.2515, 42.2516, 42.252, 42.2521, 42.2522, 42.2523, 42.2524, 42.2525, 42.2526, 42.2527, 42.2528, 42.253, 42.2531, 42.2532, 42.254, 42.255, 42.257, 42.258, 42.259, 42.2591, 42.260, 42.301, 42.302, 42.303, 42.304, 42.4101, 44.004, 45.0021, 45.003, 45.0032, 47.001, 47.002, 47.003, 47.004, 47.005, 47.006, 48.001, 48.002, 48.003, 48.004, 48.005, 48.0051, 48.006, 48.007, 48.008, 48.009, 48.010, 48.011, 48.012, 48.051, 48.052, 48.053, 48.101, 48.102, 48.1021, 48.103, 48.104, 48.1041, 48.105, 48.106, 48.107, 48.110, 48.1101, 48.111, 48.112, 48.114, 48.151, 48.152, 48.153,

48.154, 48.155, 48.156, 48.201, 48.204, 48.203, 48.204, 48.251, 48.252, 48.253, 48.254, 48.255, 48.2551, 48.2552, 48.2553, and 48.2554, 48.256, 48.257, 48.258, 48.259, 48.260, 48.261, 48.262, 48.263, 48.264, 48.265, 48.266, 48.267, 48.268, 48.269, 48.270, 48.271, 48.272, 48.273, 48.274, 48.275, 48.277, 48.278, 48.279, 48.301, 48.302, 49.001, 49.002, 49.003, 49.004, 49.005, 49.006, 49.007, 49.008, 49.009, 49.010, 49.011, 49.012, 49.013, 49.051, 49.052, 49.053, 49.054, 49.101, 49.102, 49.103, 49.104, 49.105, 49.151, 49.152, 49.153, 49.154, 49.155, 49.156, 49.157, 49.158, 49.201, 49.202, 49.203, 49.204, 49.205, 49.251, 49.252, 49.253, 49.254, 49.255, 49.256, 49.257, 49.258, 49.259, 49.260, 49.301, 49.302, 49.303, 49.304, 49.305, 49.306, 49.307, 49.308, 49.309, 49.310, 49.311, 49.312, 49.313, 49.351, 49.352, 49.353, 49.354, 49.355, 49.356, and 49.357 Education Code;

§403.302 Government Code

Status: Passed by both houses; signed by Governor

Effective: different provisions become effective at different times

Rollback rates will be renamed “voter-approval tax rates.” School districts will no longer calculate effective tax rates. A school district must calculate its 2019 voter-approval rate, even if it has already adopted its 2019 tax rate before September 1, 2019. A district that already adopted its 2019 tax rate will have to do so again.

A district’s voter-approval rate for 2019 will be the sum of:

- a) \$1.00 times the compression percentage of 93%, i.e., \$0.93;
- b) The greater of:
 - i. The district’s 2018 tax effort that exceeded \$1.00 reduced by any compression applied to its copper-penny enrichment rate; or
 - ii. \$0.04; and
- c) The district’s current debt rate

For a non-election district, the voter-approval rate is \$0.93 plus \$0.04 for a total of \$0.97. This compares to the 2018 rollback rate, which was \$1.00 plus \$0.04 for a total of \$1.04, a reduction of \$0.07. For districts that adopted a rate of \$1.04 or above in 2018, the voter-approval rate will be equal to the 2019 tax rate after compression. A district with a 2018 rate below \$1.04 will also be able to adopt a rate of \$0.97 in 2019 without holding an election. In 2020, schools will substitute \$0.05 for \$0.04, so the voter-approval rate for a non-election district will be \$0.98.

A district may not hold an election in 2019, unless the district adopted a “strategic plan” before January 1, 2019 that proposes a m&o rate that exceeds the voter-approval rate. Beginning in 2020, a school district will have to conduct an “Efficiency Audit” before seeking voter approval for a rate that will require an election. The audit must be conducted by a third-party auditor. The school board must hold an open meeting to discuss the results of the audit. The audit must be commissioned four months before the date at which the district proposes to call an election.

Ratification elections will have to occur on uniform election dates. The bill also prescribes the language for the ballots.

A school district’s “Notice of Public Meeting to Discuss Budget and Proposed Tax Rate” will be largely unchanged except for requiring the notice to include a statement “that a school district may not increase the district’s maintenance and operations rate to create a surplus in maintenance and operations tax revenue for the purpose of paying the district’s debt service.”

The bill also requires a ratification election to be held on the next uniform election date that occurs after the date of the election order and allows sufficient time to comply with the law.

For additional information, see the TEA's website at TEA.Texas.gov/HB3.

This bill is also discussed under the heading, *School Finance and Value Studies*.

H.B. 1313 ★★★★★

Author: Phil King

Amends/Enacts: §§11.26, 23.01, and 41.41 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2020

The freeze that applies to school taxes on the homestead of a disabled person could be inherited by the person's surviving spouse. If the disabled person died before January 1, 2020, the freeze is calculated as if the surviving spouse was entitled to it when the person died. This bill is also discussed under the heading, *Appraisal Districts and ARBs*.

H.B. 1743 ★★★★★

Author: Tracy King

Amends/Enacts: §§23.55 and 23.76 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2019

The rollback tax on open-space agricultural land would recapture three years of lost taxes, not five years. The interest rate on the rollback tax would drop from 7% to 5%. The same would be true for rollback taxes on timberland.

S.B. 2 ★★★★★

Author: Bettencourt

Amends/Enacts: §§1.045, 1.07, 1.085, 1.086, 5.01, 5.041, 5.043, 5.05, 5.07, 5.09, 5.091, 5.102, 5.103, 5.104, 5.13, 6.035, 6.054, 6.15, 6.16, 6.41, 6.412, 6.414, 6.42, 6.425, 11.24, 11.4391, 22.23, 23.01, 25.19, 25.192, 25.193, 26.01, 26.012, 26.013, 26.04, 26.041, 26.043, 26.044, 26.0441, 26.0442, 26.045, 26.05, 26.052, 26.06, 26.061, 26.062, 26.063, 26.065, 26.07, 26.075, 26.08, 26.16, 26.17, 26.18, 31.12, 33.08, 41.03, 41.12, 41.44, 41.45, 41.46, 41.461, 41.66, 41.67, 41.71, 41A.03, 41A.06, 41A.061, 41A.07, 41A.09, and 42.081 Tax Code; §403.302 Government Code; §§281.107, 281.124 Health and Safety Code; §§102.007, 111.008, 111.039, 111.068, and 140.010 Local Government Code; §§1063.255, 1101.254, 1122.2522, 3828.157, and 8876.152 Special District Local Laws Code; §§49.057, 49.107, 49.108, 49.236, 49.23601, 49.23602, 49.23603, and 49.2361 Water Code

Status: Passed by both houses; signed by Governor

Effective: Some provisions become effective September 1, 2019 and others January 1, 2020.

If an ARB has not approved the appraisal records by July, the appraisal district will send each taxing unit an estimate of its taxable value. The unit's TAC or other person doing the unit's rate calculations would use the district's estimate in lieu of an appraisal roll.

Effective tax rates will be renamed "no-new-revenue" rates. Rollback rates will be renamed "voter-approval tax rates." A taxing unit's TAC will submit the unit's appraisal roll to the governing body by August 1 along with an anticipated collection rate. That rate may not be lower than the taxing unit's lowest actual collection rate in the preceding three years, and it may be higher than 100%. "Last year's levy" will now include the portion of taxable value of property that is the subject

of an appeal on July 25 that is not in dispute. A taxing unit will calculate its rates using electronic forms prescribed by the comptroller, specifically the forms on the comptroller's website as of January 1, 2019 modified as necessary. The bill says that the forms may be revised in response to a request, but it doesn't say who might make such a request. Any revisions will require approval by a majority of the members of a committee selected by the comptroller with equal numbers of members representing taxpayers, taxing units, and assessors. The person requesting a revision must pay the cost of mediation (presumably between the members of the committee) if the comptroller determines that mediation is required. The TAC or other person doing the calculations must certify on the tax rate calculation forms that she accurately calculated the tax rates and used values that were the same as the values shown in the unit's certified appraisal roll.

The voter-approved tax rate for a taxing unit (other than a "special taxing unit") will be calculated by multiplying the unit's no-new-revenue m&o tax rate by 1.035 and adding the unit's debt rate. A taxing unit may increase its voter-approved rate to allow for a "de minimus amount" of \$500,000. The voter-approved rate may also be adjusted by an "unused increment rate," which would provide an advantage to a taxing unit that adopted rates below its voter-approval rates in one or more of the past three years. "Special taxing unit" means a junior college district, a hospital district, or another taxing unit other than a school district with a proposed m&o tax rate of 2.5¢ or less. A special taxing unit would use 1.08 in its calculation instead of 1.035. Another taxing unit could use 1.08 under special circumstances involving a declared disaster.

The rate calculations will be provided to the County TAC and included as an appendix to the taxing unit's budget. The calculations and rates must be posted on the Internet by the taxing unit, the County TAC, and the appraisal district. The rates will no longer have to be published. By August 7, the appraisal district will notify each property owner by mail or e-mail that tax estimates for any taxable property may be made using a specified website. That website will also contain contact information for TACs. These steps must occur before a taxing unit's governing body may adopt a tax rate.

A taxing unit will no longer be required to hold two public hearings; one will be enough. S.B. 2 prescribes new language for the notice of the hearing, language that differs depending on whether the proposed tax rate exceeds the no-new-revenue rate, the voter-approval rate or both. The bill also includes language for a notice of the vote on a tax rate when no hearing is required. Any of those notices must include a complicated table full of information. A taxing unit other than a school district may not hold a hearing until at least five days after the appraisal district delivers the notices about finding tax estimates on the Internet and at least five days after it had publishes notice of the hearing. A taxing unit's governing body may vote on the tax rate at the meeting held for the public hearing or at another meeting. A tax rate that exceeds the unit's voter-approval rate must be adopted at least 71 days before the November election date. The order calling for the election must be issued no later than August 15.

The "de minimis rate" might sometimes allow a taxing unit other than a school district to adopt a rate higher than its rollback rate without an election. This could be true for a special taxing unit or a city with fewer than 30,000 people. Under those circumstances, the notice of public hearing will include special language.

The rules for ratification elections remain unchanged for school districts. Any other taxing unit will have to hold an election any time its governing body adopts a tax rate that exceeded the unit's voter-approval rate, with a possible exception for an adopted rate that did not exceed the de minimis rate. Another exception may apply to a taxing unit recovering from a declared disaster. An election must occur on a uniform election date in November. If the voters do not affirmatively

approve the rate adopted by governing body, that rate would be thrown out, and the unit will use its voter-approval tax rate.

Suppose a taxing unit that is not a school district or subject to the de minimis exception (special taxing units and small cities) adopts a rate that exceeded its voter-approval rate but not its de minimis rate. Under those circumstances, voters may petition for an election to reduce the rate to the voter-approval rate. A petition will require the signatures of only 3% of the unit's voters.

The alternative truth-in-taxation procedures now available for cities and counties under §140.010 of the Local Government Code are repealed. Cities and counties would have to follow the Tax Code's procedures. Other types of taxing units, such as water districts that have their own truth-in-taxation procedures will continue to do so, but rules will incorporate the changes to no-new-revenue rates, voter-approval rates and elections.

S.B. 2 reflects a general shift away from publishing information and toward posting information on the Internet. The new requirements for an appraisal district's property tax database are described under the heading, Appraisal Districts and ARBs. A great deal of truth-in-taxation information will be included in the appraisal district's database. The bill also requires each taxing unit to post extensive tax, budget, and financial information on the Internet and include contact information for each member of the taxing unit's governing body.

If a taxing unit or appraisal district fails to make a good-faith effort to comply with truth-in-taxation rules, any property owner may sue for an injunction to stop tax collections. The suit may be filed within 15 days following the adoption of the tax rate, and property owners will not have to pay while the suit is pending.

This bill is also discussed under the headings: *Exemptions; Appraisals; Appraisal Districts and ARBs; Appeals; School Finance and Value Studies; and Miscellaneous.*

S.B. 2083 ★★★★★

Author: Hinojosa

Amends/Enacts: §26.11 Tax Code

Status: Passed by both houses; signed by Governor

Effective: June 10, 2019

If a governmental entity took possession of a property under a possession and use agreement or under §21.021 of the Property Code, the property would become exempt immediately and the taxes for that year would be prorated. Section 21.021 allows a condemning authority to take possession of a property while the condemnation lawsuit is proceeding.

Collections

H.B. 1652 ★★★★★

Author: Huberty

Amends/Enacts: §34.05 Tax Code

Status: Passed by both houses; signed by Governor

Effective: June 14, 2019

A taxing unit reselling a property acquired in a tax sale could conduct an online auction using the same procedures that apply to tax sales conducted online. Online resales would require approval by the county's commissioners' court.

H.B. 1883 ★★★★★

Author: Greg Bonnen

Amends/Enacts: §§31.02 and 33.01 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2019

Under current law, an active-duty member of the armed services can pay taxes late if the person serves outside Texas during a war or national emergency. This bill would remove the requirement of a war or national emergency. Even if the person paid after the deferred delinquency date, she would not incur a penalty and would face interest at the rate of only 6%.

H.B. 1885 ★★★★★

Author: Greg Bonnen

Amends/Enacts: §§33.011 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2020

The governing body of a taxing unit could waive penalties and interest on delinquent taxes on a mortgaged property if: the mortgage did not require the owner to fund an escrow account for taxes; the mortgagee failed to send the owner a copy of the tax bill; and the owner paid the taxes within 21 days after of learning of the delinquency.

H.B. 2650 ★★★★★

Author: Goodwin

Amends/Enacts: §34.01 Tax Code

Status: Passed by both houses; signed by Governor

Effective: May 29, 2019 (applies to sales occurring after the effective date)

The recoverable costs of a tax sale would include the commission and fees paid to a licensed auctioneer.

S.B. 1642 ★★★★★

Author: Miles

Amends/Enacts: §34.21 Tax Code

Status: Passed by both houses; signed by Governor

Effective: June 14, 2019

This bill would make it clear that a property owner who lost property to a tax sale could not transfer the right to redeem the property to anyone else.

S.B. 1856 ★★★★★

Author: Paxton

Amends/Enacts: §§1.071, 11.431, 11.439, 26.112, 26.1125, and 26.1127 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2019

A tax refund resulting from a homestead exemptions or a disabled veterans' exemption would have to be paid to the individual who was the owner of the property on the date the tax was paid. Any refund would be sent to the person's mailing address as listed on the appraisal roll unless the person filed a written request with the TAC asking that the refund be sent to a particular address.

School Finance and Value Studies

H.B. 3 ★★★★★

Author: Huberty

Amends/Enacts: §§26.08, 26.151 Tax Code §§13.054, 41.001, 41.003, 41.0031, 41.004, 41.005, 41.006, 41.007, 41.008, 41.009, 41.010, 41.011, 41.012, 41.013, 41.091, 41.092, 41.093, 41.094, 41.095, 41.096, 41.097, 41.099, 41.121, 41.122, 41.123, 41.125, 42.001, 42.002, 42.003, 42.004, 42.005, 42.0051, 42.0052, 42.006, 42.009, 42.101, 42.105, 42.106, 42.151, 42.152, 42.155, 42.158, 42.251, 42.2511, 42.2514, 42.2515, 42.2516, 42.252, 42.2521, 42.2522, 42.2523, 42.2524, 42.2525, 42.2526, 42.2527, 42.2528, 42.253, 42.2531, 42.2532, 42.254, 42.255, 42.257, 42.258, 42.259, 42.2591, 42.260, 42.301, 42.302, 42.303, 42.304, 42.4101, 44.004, 45.0021, 45.003, 45.0032, 47.001, 47.002, 47.003, 47.004, 47.005, 47.006, 48.001, 48.002, 48.003, 48.004, 48.005, 48.0051, 48.006, 48.007, 48.008, 48.009, 48.010, 48.011, 48.012, 48.051, 48.052, 48.053, 48.101, 48.102, 48.1021, 48.103, 48.104, 48.1041, 48.105, 48.106, 48.107, 48.110, 48.1101, 48.111, 48.112, 48.114, 48.151, 48.152, 48.153, 48.154, 48.155, 48.156, 48.201, 48.204, 48.203, 48.204, 48.251, 48.252, 48.253, 48.254, 48.255, 48.2551, 48.2552, 48.2553, and 48.2554, 48.256, 48.257, 48.258, 48.259, 48.260, 48.261, 48.262, 48.263, 48.264, 48.265, 48.266, 48.267, 48.268, 48.269, 48.270, 48.271, 48.272, 48.273, 48.274, 48.275, 48.277, 48.278, 48.279, 48.301, 48.302, 49.001, 49.002, 49.003, 49.004, 49.005, 49.006, 49.007, 49.008, 49.009, 49.010, 49.011, 49.012, 49.013, 49.051, 49.052, 49.053, 49.054, 49.101, 49.102, 49.103, 49.104, 49.105, 49.151, 49.152, 49.153, 49.154, 49.155, 49.156, 49.157, 49.158, 49.201, 49.202, 49.203, 49.204, 49.205, 49.251, 49.252, 49.253, 49.254, 49.255, 49.256, 49.257, 49.258, 49.259, 49.260, 49.301, 49.302, 49.303, 49.304, 49.305, 49.306, 49.307, 49.308, 49.309, 49.310, 49.311, 49.312, 49.313, 49.351, 49.352, 49.353, 49.354, 49.355, 49.356, and 49.357 Education Code; §403.302 Government Code

Status: Passed by both houses; signed by Governor

Effective: different provisions become effective at different times

School districts will generally be required to reduce their tier-1 tax rates. For 2019, a district's tier-1 tax rate will be the lesser of \$1.00 or the total number of cents levied by the district in m&o taxes for 2018 reduced by a compression percentage of 93%. Most districts will have a \$0.93 tier-1 rate. A district's enrichment tax rate can include eight golden pennies, and they will be the first eight pennies assessed for enrichment. The rest, up to \$1.17, will be copper pennies. Only the copper pennies will be subject to compression. The compression rate will be 64.834%, calculated as the fraction of the guaranteed yield level of state and local funds per weighted student for the 2018-2019 school year (\$31.95) divided by the guaranteed level for the 2019-2020 school year (\$49.28).

A school district will no longer be able to increase its m&o tax rate in order to create a surplus of m&o revenue for the purpose of paying debts. The prohibition does away with the tax swaps that districts have been doing for the past ten years. In a tax swap the district gets voter approval for a higher rate representing that an increase the m&o rate will be offset by a lower debt rate and

that the district will receive more money from the state. It is not clear whether the change will affect existing swaps.

The bill creates a Tax Reduction & Excellence in Education Fund that will be funded with state money including sales taxes that can now be collected on interstate sales.

The basic allotment will increase from \$5,140 to \$6,160. The extra money will go mainly to compensate teachers. It also changes several of the adjustments and supplements to the basic allotment.

Beginning in 2020, if statewide values or local values rise more than 2.5% from one year to another, tier-1 rates will automatically be compressed to allow for a revenue increase of no more than 2.5%. A district could adopt up to five golden pennies for enrichment without having to hold an election.

The state will use current-year values, not the past year's values in calculating state aid and payments required under Chapter 41.

For additional information, see the TEA's website at TEA.Texas.gov/HB3.

This bill is also discussed under the heading, *Assessment*.

S.B. 2 ★★★★★

Author: Bettencourt

Amends/Enacts: §§1.045, 1.07, 1.085, 1.086, 5.01, 5.041, 5.043, 5.05, 5.07, 5.09, 5.091, 5.102, 5.103, 5.104, 5.13, 6.035, 6.054, 6.15, 6.16, 6.41, 6.412, 6.414, 6.42, 6.425, 11.24, 11.4391, 22.23, 23.01, 25.19, 25.192, 25.193, 26.01, 26.012, 26.013, 26.04, 26.041, 26.043, 26.044, 26.0441, 26.0442, 26.045, 26.05, 26.052, 26.06, 26.061, 26.062, 26.063, 26.065, 26.07, 26.075, 26.08, 26.16, 26.17, 26.18, 31.12, 33.08, 41.03, 41.12, 41.44, 41.45, 41.46, 41.461, 41.66, 41.67, 41.71, 41A.03, 41A.06, 41A.061, 41A.07, 41A.09, and 42.081 Tax Code; §403.302 Government Code; §§281.107, 281.124 Health and Safety Code; §§102.007, 111.008, 111.039, 111.068, and 140.010 Local Government Code; §§1063.255, 1101.254, 1122.2522, 3828.157, and 8876.152 Special District Local Laws Code; §§49.057, 49.107, 49.108, 49.236, 49.23601, 49.23602, 49.23603, and 49.2361 Water Code

Status: Passed by both houses; signed by Governor

Effective: Some provisions become effective September 1, 2019 and others January 1, 2020.

If a school district's local values are determined to be invalid, the appraisal district's directors must hold a public meeting to discuss the matter. If a school district's local values are invalid for three years in a row, the comptroller will conduct an additional review of the appraisal district. If the district fails to follow the comptroller's recommendations within one year and the directors have not taken reasonable remedial actions, the comptroller will report the matter to the TDLR, "which shall take action necessary to ensure that the recommendations are implemented as soon as practicable." If the TDLR then determines that the comptroller's recommendations have not been followed, the district's directors will have to consider replacing the chief appraiser.

This bill is also discussed under the headings: *Exemptions; Appraisals; Appraisal Districts and ARBs; Appeals; Assessment; and Miscellaneous*.

Miscellaneous

H.B. 2446 ★★★★★□

Author: Swanson

Amends/Enacts: §25.025 Tax Code

Status: Passed by both houses; not vetoed by Governor

Effective: June 14, 2019

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units would be expanded to include a firefighter, volunteer firefighter or EMS services personnel.

H.B. 2617 ★★★★★★

Author: Cole

Amends/Enacts: §140.012 Local Government Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2019

A political subdivision created on or after September 1, 2019, that had the authority to impose a tax would have to have the same fiscal year as the county in which it was located. This rule would not apply to special districts created under Art. III, §52 or Art. XVI, §59 of the Texas Constitution. Those districts are principally concerned with irrigation, waterways, roads, conservation and reclamation.

H.B. 2840 ★★★★★★

Author: Canales

Amends/Enacts: §551.007 Government Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2019

A local governmental body must allow public comments regarding an item on its agenda for an open meeting before or during the body's consideration of the item. The body may adopt reasonable rules and limit the time for a member of the public to speak. If the person requires translation, the body must give him/her extra time. A governmental body may not prohibit public criticism of it.

S.B. 2 ★★★★★★

Author: Bettencourt

Amends/Enacts: §§1.045, 1.07, 1.085, 1.086, 5.01, 5.041, 5.043, 5.05, 5.07, 5.09, 5.091, 5.102, 5.103, 5.104, 5.13, 6.035, 6.054, 6.15, 6.16, 6.41, 6.412, 6.414, 6.42, 6.425, 11.24, 11.4391, 22.23, 23.01, 25.19, 25.192, 25.193, 26.01, 26.012, 26.013, 26.04, 26.041, 26.043, 26.044, 26.0441, 26.0442, 26.045, 26.05, 26.052, 26.06, 26.061, 26.062, 26.063, 26.065, 26.07, 26.075, 26.08, 26.16, 26.17, 26.18, 31.12, 33.08, 41.03, 41.12, 41.44, 41.45, 41.46, 41.461, 41.66, 41.67, 41.71, 41A.03, 41A.06, 41A.061, 41A.07, 41A.09, and 42.081 Tax Code; §403.302 Government Code; §§281.107, 281.124 Health and Safety Code; §§102.007, 111.008, 111.039, 111.068, and 140.010 Local Government Code; §§1063.255, 1101.254, 1122.2522, 3828.157, and 8876.152 Special District Local Laws Code; §§49.057, 49.107, 49.108, 49.236, 49.23601, 49.23602, 49.23603, and 49.2361 Water Code

Status: Passed by both houses; signed by Governor

Effective: Some provisions become effective September 1, 2019 and others January 1, 2020.

The comptroller will appoint a “property tax administration advisory board” of at least six members to give him advice concerning his property-tax responsibilities. The board will make recommendations regarding improving the effectiveness and efficiency of the property tax system, best practices, and complaint resolution procedures. The board will include representatives of taxpayers, appraisal districts, assessors, school districts, and somebody with knowledge of ratio studies. The comptroller would have to consult with the board about rules governing MAP reviews. Members may advise the comptroller only at “a meeting called by the comptroller.” The Comptroller’s Property Value Study Advisory Committee will cease to exist.

The comptroller’s biennial report to the legislature of values and tax rates will include all taxing units. The comptroller will have to “collect and review” the information for each unit and review *in detail* the information about cities, school districts and counties.

Information for the he comptroller’s statewide list of tax rates for all taxing units would come from appraisal districts. Appraisal districts would report the rates for a year to the comptroller by January 1 of the following year. The list would be alphabetical by county and then by taxing unit within each county.

This bill is also discussed under the headings: *Exemptions; Appraisals; Appraisal Districts and ARBs; Appeals; Assessment; and School Finance and Value Studies.*

S.B. 662 ★★★★★

Author: Campbell

Amends/Enacts: §25.025 Tax Code

Status: Passed by both houses; signed by Governor

Effective: June 14, 2019

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units would be expanded to include a state officer elected statewide or a member of the legislature.

S.B. 1494 ★★★★★

Author: Paxton

Amends/Enacts: §25.025 Tax Code

Status: Passed by both houses; signed by Governor

Effective: June 10, 2019

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units would be expanded to include a current or former child protective services caseworker, adult protective services caseworker, or investigator for the Department of Family and Protective Services or a current or former employee of a department contractor performing child protective services caseworker, adult protective services caseworker, or investigator functions for the contractor on behalf of the department. The list would also include a state officer elected statewide or a member of the legislature.

Dead Bills

The bills that made progress are marked with stars according to the following sequence.

- ★ Bill has come out of committee in the house in which it was filed
- ★★ Bill has passed the house in which it was filed
- ★★★ Bill has come out of committee in the other house
- ★★★★ Bill has been passed by both houses
- ★★★★★ Bill is finally enacted, subject to voter approval of constitutional amendments

H.B. 2 ★

Author: Burrows

Amends/Enacts: §§1.085, 5.01, 5.041, 5.043, 5.05, 5.07, 5.091, 5.102, 5.103, 5.104, 5.13, 6.035, 6.05, 6.15, 6.41, 6.412, 6.414, 6.42, 6.425, 11.4391, 22.23, 23.01, 25.19, 25.22, 26.01, 26.012, 26.04, 26.041, 26.043, 26.044, 26.0441, 26.05, 26.052, 26.06, 26.061, 26.065, 26.07, 26.08, 26.16, 26.17, 26.18, 31.12, 33.08, 41.03, 41.12, 41.44, 41.45, 41.46, 41.461, 41.66, 41.67, 41.71, 41A.06, 41A.061, 41A.07, and 41A.09 Tax Code; §§45.105 and 130.016 Education Code; §403.302 Government Code; §281.124 Health and Safety Code; §§102.007, 111.008, 111.039, 111.068, and 140.010 Local Government Code; §§1063.255, 1101.254, 1122.2522, 3828.157, and 8876.152 Special District Local Laws Code; §§49.107, 49.236, 49.2361, 49.239 Water Code

Status: Passed by House Ways and Means Committee; Pending in full House

This broad bill deals with many of the same subjects as S.B. 2 but the two differ in a few details.

Exemptions

H.B. 160

Author: Raymond

Amends/Enacts: §§11.13 and 26.06 Tax Code; §44.004 Education Code; §8876.152 Special District and Local Laws Code; §§49.236 and 49.2361 Water Code

Status: Pending in House Ways and Means Committee

H.J.R. 19

Author: Raymond

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill concern homestead exemptions for parents or guardians of disabled minors who live with them. The \$10,000 school-tax exemption for homeowners who are disabled or over 65 would be expanded to include those parents and guardians. The same is true of the local-option exemption for homeowners who are disabled or over 65.

H.B. 275

Author: Miller

Amends/Enacts: §§11.133 and 11.431 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 23

Author: Miller

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

Current law provides a 100% homestead for the surviving spouse of a member of the armed services “killed in action.” This bill would change that language to “killed or fatally injured in the line of duty.”

H.B. 360 ★★

Author: Murphy

Amends/Enacts: §312.006 Tax Code

Status: Passed by House; pending in Senate Natural Resources and Economic Development Committee

The Tax Abatement Act (Chapter 312 of the Tax Code) is scheduled to expire on September 1, 2019. This bill would extend the Act for ten more years.

H.B. 384

Author: Bohac

Amends/Enacts: §§11.13, 11.42, 11.43, 26.10, 26.112 and 33.01 Tax Code; §§41.0021, 42.2518, 42.252, 42.302, 44.004, 46.003, 46.032 and 46.071 Education Code; §402.302 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 29

Author: Bohac

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would completely exempt a homestead if: 1) the owner were at least eighty years old; and 2) the property had been her homestead for at least the ten years preceding the year in question. A surviving spouse, fifty-five or older, could inherit the exemption. The exemption could not be transferred to another property. The state would make up revenue losses suffered by school districts.

H.B. 388 ★★★

Author: Murphy

Amends/Enacts: §11.211

Status: Passed by House; passed by Senate Property Tax Committee; pending in full Senate

H.J.R. 31 ★

Author: Murphy

Amends/Enacts: Art. VIII, §2 Texas Constitution

Status: Passed by House Ways and Means Committee; pending in full House

This proposed constitutional amendment and related bill would create an exemption for property leased to an open-enrollment charter school and used exclusively for the operation or administration of the school or for other educational purposes. The property would have to be reasonably necessary for those purposes. The property owner would have to pass the tax savings

along to the school in the form of reduced rent. The owner would give the school an affidavit explaining the effects of the exemption. The school's leasehold interest would not be taxable.

H.B. 453 ★

Author: Shaheen

Amends/Enacts: §11.13 Tax Code

Status: Passed by House Ways and Means Committee; pending in full House

H.J.R. 33 ★

Author: Shaheen

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Passed by House Ways and Means Committee; pending in full House

Under this proposed constitutional amendment and related bill, a county, acting through its commissioners, could exempt up to fifty percent of the value of the homesteads of physicians who provided free medical care to residents of the county who are indigent or who are Medicaid recipients.

H.B. 493

Author: Shine

Amends/Enacts: §§11.35, 11.42, 11.43, 11.45, 23.02, 26.012, 41.03, 41.41, and 41.44 Tax Code; §403.302 Government Code; §140.012 Local Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 35

Author: Shine

Amends/Enacts: Art. VIII, §2 Texas Constitution

Status: Pending in House Ways and Means Committee

This is another bill that would allow temporary exemptions for property damaged in natural disasters. It is very similar to H.B. 492, but this bill would include "disaster exemption assistance payments" from the state to compensate taxing units for refunds paid on exempted properties.

H.B. 499

Author: Button

Amends/Enacts: §312.006 Tax Code

Status: Pending in House Ways and Means Committee

This bill would extend the life of the Tax Abatement Act for ten more years. It is a companion to H.B. 360 and S.B. 118

H.B. 634 ★★

Author: Buckley

Amends/Enacts: §140.011 Local Government Code

Status: Passed by House; pending in Senate Finance Committee

This bill would include among the municipalities qualified in a given tax year to receive state assistance to compensate for revenue lost because of tax relief for disabled veterans, municipalities with extraterritorial jurisdictions located within two miles of the boundary line of a U.S. military installation, beginning with the municipality's fiscal year that ends in the 2019 tax year.

H.B. 716

Author: Leach

Amends/Enacts: §§11.136, 11.42, 11.43, 26.1127, and 31.031 Tax Code; §140.011 Local Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 44

Author: Leach

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

A severely disabled veteran (defined as a veteran with a disability rating of at least 80% but less than 100%) would receive a percentage homestead exemption equal to the percentage of his disability. A veteran with an 80% disability rating would receive an exemption equal to 80% of the appraised value of his home. If the veteran died, his surviving spouse would inherit the exemption. The surviving spouse could later transfer the exemption to a new homestead in a fixed dollar amount. The surviving spouse would lose the exemption if she remarried.

H.B. 827 ★★

Author: Rose

Amends/Enacts: §11.24 Tax Code

Status: Passed by House; pending in Senate Property Tax Committee

A taxing unit's governing body could extend a historic-site exemption to include an improvement and related land necessary to support the continued use or existence of the historic structure or archeological site. The improvement would have to be adjacent to the historic property and have a consistent architectural style.

H.B. 905

Author: Bernal

Amends/Enacts: §§11.136, 11.42, 11.43, 26.10, and 26.1125 Tax Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 48

Author: Bernal

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would create a 100% exemption for the homestead of a "qualifying caregiver." The caregiver would have to be the parent or guardian of someone eligible to receive long-term services and supports under Medicaid. That person would have to live with the caregiver and could not pay the caregiver.

H.B. 948 ★

Author: Metcalf

Amends/Enacts: §11.20 Tax Code

Status: Passed by House Ways and Means Committee; pending in full House

Under current law, land owned by a church for the expansion of a place of worship may be exempted for up to six years if the land is contiguous to the church's existing place of worship. This bill would expand that period to ten years.

H.B. 1056 ★

Author: Bohac

Amends/Exempts: §11.252 Tax Code

Status: Passed by House Ways and Means Committee; pending in full House

This bill would exempt vehicles leased to the state or a local government. It would also exempt vehicles leased to §501(c)(3) organizations and used exclusively for religious, educational or charitable purposes.

H.B. 1194

Author: Dutton

Amends/Enacts: §§11.1828, 11.436 and 26.111 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 58

Author: Dutton

Amends/Enacts: Art. VIII, §1-v Texas Constitution

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would create a school-tax exemption for low/moderate-income housing located near a school or in a municipal management district. The bill would require that the property be within one mile of a school or in a municipal management district. The property could be owned by anybody. In an "urban area," the property would have to include: twenty-five or more new single-family homes or a new multifamily housing project with 150 or more units. In a "rural area," the property would have to include ten or more new single-family homes or a new multifamily housing project with sixty or more units. In either case the homes would have to be sold or leased to people earning no more than 25% of the area median income. An owner could receive the exemption for up to three years. If the owner sold or leased even one home to someone who did not qualify, a penalty would be imposed equal to all of the taxes that the owner had saved as a result of receiving the exemption.

H.B. 1201 ★

Author: Raymond

Amends/Enacts: §11.18 Tax Code

Status: Passed by House Ways and Means Committee; pending in full House

The general charitable exemption would be expanded to include an organization that provided: 1) housing counseling services as a HUD-approved counseling agency without regard to the beneficiaries' ability to pay; and 2) rental housing to low-income and moderate-income households at below-market rates. The exemption would apply to property used to provide that housing.

H.B. 1333 ★

Author: Krauss

Amends/Enacts: §§1.07, 1.086, 6.03, 6.16, 23.01, 25.19, 25.192, and 25.193 Tax Code

Status: Passed by House Ways and Means Committee; pending in full House

If a residential property were not receiving a homestead exemption even though it was the owner's address, the appraisal district would have to send a notice explaining the owner's right to apply for the exemption. The notice would have to be sent separately from any other notice, and it would have to be accompanied by an exemption application form. The bill details the exact language of the notice. The notice would apparently have to be sent each year until the property began receiving a homestead exemption.

If an exemption applicable to a residential property were reduced or cancelled in a year, the appraisal district would have to send a notice to the property owner. Notices pertaining to homestead exemptions would go out by April 1, and notices pertaining to other residential properties would go out by May 1. That notice would have to be sent separately from a notice of appraised value.

This bill is also discussed under the headings, *Appraisals* and *Appraisal Districts and ARBs*.

H.B. 1414

Author: Craddick

Amends/Enacts: §11.18 Tax Code

Status: Pending in House Ways and Means Committee

The general charitable exemption would be expanded to include organizations that provide meeting places and support services for organizations that help alcoholics and their families without regard to the beneficiaries' ability to pay.

H.B. 1596

Author: Lambert

Amends/Enacts: §11.37 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 69

Author: Lambert

Amends/Enacts: Art VIII, §1-x Texas Constitution

Status: Pending in House Ways and Means Committee

A county, city or junior college district could grant an exemption for the bpp of start-up businesses owned by veterans. The exemption could be enacted by the taxing unit's governing body or through a petition-and-election process. The taxing unit would determine the amount of the exemption which could be as large as \$30,000. The exemption could last for up to five years.

H.B. 1606

Author: Lambert

Amends/Enacts: §11.38 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 70

Author: Lambert

Amends/Enacts: Art, VIII, §1-u Texas Constitution

Status: Pending in House Ways and Means Committee

The governing body of a city or county could adopt an exemption for businesses that provide "qualifying services" for veterans. A business would have to provide at least \$5,000 per year in

services (including housing, substance-abuse treatment, residential treatment services, or mental health counseling) to at least one veteran each year. The amount of the exemption for a business would be the lesser of \$300,000 or \$15,000 times the number of veterans that received services provided by or paid for by the business.

H.B. 1977

Author: Cole

Amends/Enacts: §312.008 Tax Code

Status: Pending in House Ways and Means Committee

Before granting a tax abatement, a taxing unit would have to prepare a fiscal impact statement that assessed the economic impact that the abatement agreement would have on schools, transportation, and public safety. The comptroller would adopt rules to ensure that a fiscal impact statement was prepared a reasonable amount of time before the taxing unit granted the exemption and that the public would have an opportunity to review it.

H.B. 2359

Author: Sanford

Amends/Enacts: §312.204 and 313.024 Tax Code

Status: Pending in House Licensing and Administrative Procedures Committee

A gambling establishment such as a casino or race track could not receive a tax abatement or a school district value limitation. This bill is also discussed under the heading *Miscellaneous*.

H.B. 2395

Author: Lozano

Amends/Enacts: §§11.26, 11.261, and 23.23 Tax Code

Status: Pending in House Ways and Means Committee

If a homestead property is seriously damaged and then replaced, the cap on year-to-year value increases is lost if the new structure has a higher quality exterior than the original structure. This bill would eliminate that rule. The cap could continue even if the replacement structure had a nicer exterior than the original. This bill is also discussed under the heading *Assessment*.

H.B. 2438

Author: Phelan

Amends/Enacts: §312.006 and 313.007 Tax Code

Status: Pending in House Ways and Means Committee

The Tax Abatement Act (Chapter 312 of the Tax Code) is scheduled to expire on September 1, 2019. This bill would extend the Act until December 31, 2032. This bill is also discussed under the heading *Miscellaneous*.

H.B. 2456

Author: Kacal

Amends/Enacts: §§11.13 and 26.10 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 89

Author: Kacal

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

A taxing unit would have the option of giving a homestead exemption in an amount up to \$15,000 to volunteer first responders. In order to qualify and keep the exemption, a volunteer first responder would have to attend at least 24 hours of training per year and participate with his organization in at least 25% of its emergency calls each year.

H.B. 2695

Author: Lucio

Amends/Enacts: §§11.13 and 25.19 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 93

Author: Pending in House Ways and Means Committee

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Filed

A homeowner would receive a new exemption from every taxing unit that taxed her homestead. The exemption would be equal to 10% of the average appraised value of all homesteads located in the county, although a taxing unit's governing body could decide to raise the exemption as high as 25% of the average homestead value.

H.B. 2799

Author: Sanford

Amends/Enacts: §§312.2035,312.207, and 313.025Tax Code; §§552.131 and 551.087 Government Code

Status: Pending in House Ways and Means Committee

A property owner seeking a tax abatement for property in a city would have to file an application with the city. The application could be filed even before the city had created a reinvestment zone. The city council could approve an application only by an affirmative vote of a majority of members taken at a regular meeting. The council could approve an application even if the property were not yet in a reinvestment zone. The council could not vote to approve an abatement agreement until at least ninety days after it had approved the property owner's application. This bill is also discussed under the heading, *Miscellaneous*.

H.B. 2804

Author: Button

Amends/Enacts: §11.37 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 94

Author: Button

Amends/Enacts: Art. VIII, §1-q Texas Constitution

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would exempt food products held by the owner for sale at retail. It would apply to food products that are exempt from sales taxes.

H.B. 2915

Author: Springer

Amends/Enacts: §§11.13, 11.35, 23.1241, 23.1242, 151.0023, 151.0028, 151.0029, 151.00295, 151.00352, 151.00365, 151.00375, 151.00378, 151.0038, 151.00391, 151.00425, 151.0044, 151.00442, 151.0047, 151.006, 151.0101, 151.0108, 151.013, 151.1551, 151.313, 151.314, 151.315, 151.317, 151.3186, 151.319, 151.320, 151.335, 151.350, 151.401, 151.424, 151.425, 151.428, 152.047, 162.014, 164.0001, 164.0002, 164.0003, 164.0004, 164.0005, 165.0001, 165.0002, 165.0003, 165.0004, 165.0005, 165.0006, 165.0007, 171.1012, 183.043, 313.021, 321.203, §42.2516 Education Code; §403.302 Government Code; §2301.008 Occupations Code; 501.0301, 502.257, and 502.258 Transportation Code
Status: Pending in House Ways and Means Committee

H.J.R. 97

Author: Springer

Amends/Enacts: Art. VIII, §§1-b and 1-r Texas Constitution.

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would create a new school-tax homestead exemption equal to the lesser of: 1) 50% of the value remaining after all other applicable homestead exemptions were subtracted from the homestead's appraised value; or 2) 150% of the median appraised value of all single family residences in this state as determined by the comptroller.

Additionally, inventory would be exempt. Inventory would be defined as: 1) finished goods held for sale or resale; or 2) a raw or finished material held to be incorporated into or attached to personal property to create a finished good.

This bill is also discussed under the headings, *Appraisals*, *School Finance and Value Studies* and *Miscellaneous*.

H.B. 3098

Author: Toth

Amends/Enacts: Statutes too numerous to list

Status: Pending in House Ways and Means Committee

This bill would exempt all personal property. It is also discussed under the headings *Appraisals*, *Appraisal Districts and ARBs*, and *School Finance and Value Studies*.

H.B. 3127

Author: Middleton

Amends/Enacts: §11.13 Tax Code

Status: Pending in House Ways and Means Committee

This bill would remove any cap on percentage homestead exemptions. A taxing unit could adopt an exemption or up to 100%.

H.B. 3168

Author: Flynn

Amends/Enacts: §§312.0021, and 313.024 Tax Code

Status: Pending in House Ways and Means Committee

In 2017, the legislature prohibited tax abatements for properties with wind-powered energy devices located within twenty-five nautical miles of a military aviation facility. This bill would tweak

that law slightly. The prohibition would apply to tax abatements entered on or after September 1, 2017 if the military aviation facility involved fixed-wing aircraft. The prohibition would apply to tax abatements entered after September 1, 2019 if the facility involved only helicopters. This bill is also discussed under the heading, *Miscellaneous*.

H.B. 3520

Author: Murphy

Amends/Enacts: §§11.4391 and 21.10 Tax Code

Status: Pending in House Ways and Means Committee

Current law allows a property owner to file a late application for a freeport exemption but imposes a penalty equal to 10% of the owner's tax savings. This bill would cap the penalty at 10% of the taxes ultimately imposed after application of the exemption. This bill is also discussed under the heading, *Appraisals*.

H.B. 3793

Author: Stephenson

Amends/Enacts: §§11.13, 11.26, 26.09, 151.0023, 151.0028, 151.00372, 151.0041, 151.0046, 151.0101, 151.3021, 151.3071, 151.3101, 151.311, 151.801, and 151.802 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 118

Author: Stephenson

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

Under this proposed constitutional amendment and related bill, homesteads would be completely exempt from school m&o taxes. This bill is also discussed under the heading, *School Finance and Value Studies*.

H.B. 3844 ★

Author: Smithee

Amends/Enacts: §11.181

Status: Passed by House Ways and Means Committee; pending in full House

Under current law, a property may receive the Habitat-for-Humanity exemption for only five years. This bill would expand that period to ten years.

H.B. 3959

Author: Phelan

Amends/Enacts: §§11.13, 11.42, 11.43, 26.10, 26.112, and 33.01 Tax Code; §44.004 Education Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 126

Author: Phelan

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

A school district could give a 100% exemption to the homesteads of people who are seventy or older or disabled. The surviving spouse of such a person would inherit the exemption but she could not transfer it to another property.

H.B. 4012

Author: Perez

Amends/Enacts: §§1131 and 11.43 Tax Code

Status: Pending in House Ways and Means Committee

The TCEQ would prepare a list of all qualifying pollution-control properties. When preparing the list, the TCEQ would review each property to determine whether it still qualified for the exemption. The Commission would review the list at least once every five years. An appraisal district could determine that a property on the list no longer qualified for the exemption. An exemption for property not on the list would last five years. Then the owner would have to reapply to the TCEQ and to the appraisal district. The bill includes a schedule under which existing pollution-control exemptions would expire between 2020 and 2024 unless the owners reapplied.

H.B. 4092

Author: Shaheen

Amends/Enacts: §§11.13 and 25.23 Tax Code; §§7.062, 42.2522, and 45.006 Education Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 127

Author: Shaheen

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

A school district could adopt a percentage homestead exemption that exempted up to 50% of the value of homesteads. A school district that adopted a percentage homestead exemption would get full credit for the exemption in value studies.

H.B. 4135

Author: Israel

Amends/Enacts: §11.13 Tax Code

Status: Pending in House Ways and Means Committee

This bill concerns a portion of a person's homestead structure (or a separate structure on the same land) that is used not as the owner's residence but for "single-family short-term or long-term residential purposes," regardless of whether it generates rental income. Such a structure (or portion of a structure) would qualify as part of the homestead if: 1) it included only one dwelling unit; 2) the city or county in which the property was located had adopted a program to encourage the construction or addition of additional dwelling units; and 3) the additional dwelling unit was constructed or added in compliance with that program

H.B. 4139

Author: Capriglione

Amends/Enacts: §11.13 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 129

Author: Capriglione

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

Under current law, a percentage homestead exemption may not be greater than 20%. This proposed constitutional amendment and related bill would allow an exemption of up to 30%. Currently a percentage homestead exemption comes with a \$5,000 floor. Every homeowner gets an exemption of at least \$5,000 regardless of the value of her homestead. These proposals would allow a taxing unit to establish a higher floor, up to \$25,000.

H.B. 4180

Author: Miller

Amends/Enacts: §§312.0021, and 313.024 Tax Code

Status: Pending in House Ways and Means Committee

This bill concerning tax abatements and wind-powered energy devices located near military aviation facilities is virtually identical to H.B. 3168 discussed above. This bill is also discussed under the heading, *Miscellaneous*.

H.B. 4184

Author: Sanford

Amends/Enacts: §§11.22 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 131

Author: Sanford

Amends/Enacts: Art. VIII, §2 Texas Constitution

Status: Pending in House Ways and Means Committee

A disabled veteran with a disability rating of at least 10% but less than 100% would receive a percentage homestead exemption equal to her disability rating. A surviving spouse of a disabled veteran would inherit the exemption.

H.B. 4352

Author: Romero

Amends/Enacts: §§11.13 and 11.26 Tax Code; §§41.0012, 42.2518, 42.252, 42.302, 46.003, 46.0032, and 46.071 Education Code

Status: Pending in House Ways and Means Committee

H.J.R. 137

Author: Romero

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would increase the general homestead exemption that applies to school districts from \$25,000 to \$50,000. Homeowners with tax freezes would have those freezes adjusted downward to reflect the increased exemption. The state would provide school districts with extra money to compensate them for the tax revenues lost as a result of the increased exemption.

H.B. 4353

Author: Burrows
Amends/Enacts: §11.145 Tax Code
Status: Pending in House Ways and Means Committee

The exemption for small amounts of bpp in a taxing unit would be expanded from \$500 to \$2,500.

H.B. 4367 ★
Author: Holland
Amends/Enacts: §§11.138, 11.42, 11.43, 11.431, 26.10, and 26.1125 Tax Code; §403.301 Government Code
Status: Passed by House Ways and Means Committee; pending in full House

H.J.R. 139 ★
Author: Holland
Amends/Enacts: Art. VIII, §1-b Texas Constitution
Status: Passed by House Ways and Means Committee; pending in full House

This proposed constitutional amendment and related bill would create a 100% exemption for the homestead of a disabled first responder. If a disabled first responder died, her surviving spouse would inherit the exemption and could transfer it to another homestead in a fixed dollar amount. The surviving spouse would lose the exemption if he remarried.

H.B. 4433
Author: Bohac
Amends/ Enacts §§11.35, 11.43, 23.02, 26.012, 41.03, 41.41, 41.44, Tax Code; §403.302(d) Government Code
Status: Pending in House Ways and Means Committee

H.J.R. 142
Author: Bohac
Amends/Enacts: Art. VIII, §2 Texas Constitution
Status: Pending in House Ways and Means Committee

This is another proposed constitutional amendment and related bill that would allow temporary exemptions for property damaged in natural disasters. It is very similar to H.B. 492 (except that it does not provide for a local option.) and H.B. 493 (except that it does not compensate taxing units for lost revenues).

H.B. 4482
Author: Yvonne Davis
Amends/Enacts: §§11.49; and 101.01 Tax Code; §325.026 Government Code
Status: Pending in House Ways and Means Committee

This Bill would require periodic evaluation of tax exemptions provided by Chapters 11, 151, 152, 162, 171, 201, and 202, Tax Code, by the Sunset Advisory Commission. The commission would report to each regular legislative session on its evaluations and provide proposed legislation to carry out its recommendations. A tax exemption that is the subject of a Sunset Advisory Commission evaluation would be repealed on December 31 of the year in which the commission presents its evaluation to the legislature, unless the legislature retains the exemption.

H.B. 4488

Author: Zwiener
Amends/Enacts: §11.352 Tax Code
Status: Pending in House Ways and Means Committee

H.J.R. 146
Author: Zwiener
Amends/Enacts: Art. VIII, §1-p Texas Constitution
Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would exempt the portion of the value of a property attributable to the installation of a system for graywater reclamation or rainwater harvesting.

H.B. 4528
Author: Murphy
Amends/Enacts: §25.07 Tax Code
Status: Pending in House Ways and Means Committee

Ordinarily leaseholds or other possessory interests in city-owned convention centers, sports stadia, concert halls, etc. are not separately appraised or taxed. This bill would apparently allow a taxing unit other than the city that owned a facility to tax a possessory interest in the facility unless the governing body of the taxing unit decided to exempt the possessory interest.

A property owner could still file a freeport exemption application after the regular deadline, but not later than June 1.

This bill is also discussed under the headings: *Appraisals; Appraisal Districts and ARBs; Appraisal District Litigation and Arbitration; Assessment; and Miscellaneous.*

S.B. 5
Author: Bettencourt
Amends/Enacts: §§11.13 and 11.26 Tax Code; §§41.0012, 42.2518, 42.252, 42.302, 46.003, 46.0032, and 46.071 Education Code
Status: Pending in Senate Property Tax Committee

S.J.R. 71
Author: Bettencourt
Amends/Enacts: Art. III, §49-g and Art. VIII, §1-b Texas Constitution
Status: Pending in Senate Property Tax Committee

This proposed constitutional amendment and related bill would increase the general homestead exemption that applies to school districts from \$25,000 to \$35,000. Homeowners with tax freezes would have those freezes adjusted downward to reflect the increased exemption. The state would provide school districts with extra money to compensate them for the tax revenues lost as a result of the increased exemption.

S.B. 118
Author: West
Amends/Enacts: §312.006 Tax Code
Status: Pending in Senate Natural Resources and Economic Development Committee

This bill would extend the life of the Tax Abatement Act for ten more years. It is a companion to H.B. 360 and H.B. 499

S.B. 129 ★★★

Author: Hinojosa

Amends/Enacts: §11.134 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

This bill would expand the list of first responders whose surviving spouses would be eligible for 100% homestead exemptions. Added would be special agents of the FBI, the Border Patrol, and numerous other federal agencies. A surviving spouse of a federal first responder would qualify only if he or she were a Texas resident at the time of the first responder's death. Surviving spouses will qualify only if they did not remarry.

S.B. 196 ★★★

Author: Campbell

Amends/Enacts: §§11.133 and 11.431 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

S.J.R. 47 ★★★

Author: Campbell

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

Current law provides a 100% homestead for the surviving spouse of a member of the armed services "killed in action." This proposed constitutional amendment and related bill would change that language to "killed or fatally injured in the line of duty."

S.B. 283

Author: Buckingham

Amends/Enacts: §140.011 Local Government Code

Status: Pending in Senate Finance Committee

This bill concerns state assistance to some cities and counties disproportionately affected by tax breaks for disabled veterans. It is virtually identical to H.B. 634 discussed above.

S.B. 335 ★★★

Author: West

Amends/Enacts: §§11.1827, 23.21, and 26.10 Tax Code; §373B.003 Local Government Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

This bill would make it clear that an exemption for property of community land trusts, once adopted by a taxing unit, would continue in effect until the taxing unit's governing body acted to rescind it. In order to qualify for the exemption, a community land trust could be organized as: a nonprofit corporation; a limited partnership with its general-partner interest "controlled" by a nonprofit

corporation; or an LLC with a nonprofit corporation as its only member. Under certain circumstances, exemptions on land owned by various types of low-income-housing organizations would continue in effect throughout a year even if a housing unit on the land were sold to a qualifying family. This bill is also discussed under the heading, *Appraisals*.

S.B. 350

Author: Powell

Amends/Enacts: §§312.006 and 320.001 Tax Code

Status: Pending in Senate Natural Resources and Economic Development Committee

The Property Redevelopment and Tax Abatement Act is scheduled to expire on September 1, 2019. This bill would extend it indefinitely.

S.B. 540

Author: KolkHorst

Amends/Enacts: §11.135 Tax Code

Status: Pending in Senate Property Tax Committee

This bill concerns property owners who continue to receive homestead exemptions when their homes are rendered uninhabitable by a casualty or by wind or water damage. It is virtually identical to S.B. 443 discussed above

S.B. 547

Author: Watson

Amends/Enacts: §11.181 Tax Code

Status: Pending in Senate Property Tax Committee

Property could receive the Habitat-for-Humanity exemption for up to ten years instead of the five years allowed by current law.

S.B. 600

Author: Buckingham

Amends/Enacts: §§11.4391, 22.23, 25.19, 25.22, 26.01, 26.04, 26.05, 26.06, 26.07, 26.08, 26.16, 31.12, 33.08 and 41.12 Tax Code; §130.016 Education Code; §281.124 Health and Safety Code; §140.010 Local Government Code; §§1063.255, 1101.254, 1122.2522, 3828.157, and 8876.152 Special District Local Laws; §§49.107, 49.108, 49.236, and 49.2361 Water Code

Status: Pending in Senate Property Tax Committee

Even a late application for a freeport exemption would have to be filed with an appraisal district by June 1. This bill is also discussed under the headings, *Appraisals*, *Appraisal Districts and ARBs*, and *Assessment*.

S.B. 717

Author: Lucio

Amends/Enacts: §11.18 Tax Code

Status: Pending in Senate Property Tax Committee

The general charitable exemption would be expanded to include organizations that provide meeting places and support services for organizations that help alcoholics and their families

without regard to the beneficiaries' ability to pay. This bill is virtually identical to H.B. 1414 discussed above.

S.B. 1005

Author: Bettencourt

Amends/Enacts: §11.251 Tax Code

Status: Pending in Senate Property Tax Committee

S.J.R. 43

Author: Bettencourt

Amends/Enacts: Art. VIII, §1-j Texas Constitution

Status: Pending in Senate Property Tax Committee

Freeport goods could stay in Texas for 365 days before being transported out of state (more than doubling the present 175 days) and still receive the freeport exemption.

S.B. 1006 ★★★

Author: Bettencourt

Amends/Enacts: §11.145 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

The exemption for small amounts of bpp in a taxing unit would be expanded from \$500 to \$2,500.

S.B. 1013 ★★★

Author: Hughes

Amends/Enacts: §§11.4391 and 21.10 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

Current law allows a property owner to file a late application for a freeport exemption but imposes a penalty equal to 10% of the owner's tax savings. This bill would cap the penalty at 10% of the taxes ultimately imposed after application of the exemption. Under the House version, the total penalty due to all taxing units allowing the freeport exemption could not be less than \$5,000, with each taxing unit getting a share proportional to its taxes. This bill is also discussed under the heading, *Appraisals*.

S.B. 1046

Author: Birdwell

Amends/Enacts: §312.006, 312.007, and 312.404 Tax Code

Status: Pending in Senate Natural Resources and Economic Development Committee

A city council or county commissioners' court meeting to consider a tax-abatement agreement would have to post a very specific notice including the name of the property owner, the location of the property, a description of the anticipated improvements or renovations, and other details. The notice would have to be posted at least 120 hours before the meeting.

S.B. 1072

Author: Watson

Amends/Enacts: §11.13 Tax Code

Status: Pending in Senate Property Tax Committee

S.J.R. 44**Author: Watson****Amends/Enacts: Art, VIII, §1-b Texas Constitution****Status: Pending in Senate Property Tax Committee**

Under current law, a local-option percentage homestead exemption comes with a \$5,000 floor. No matter how low a homestead's value might be, its exemption won't be less than \$5,000. This proposed constitutional amendment and related bill would allow a taxing unit's governing body to fix a higher floor for the exemption, up to \$25,000. In the future, the legislature could authorize an even higher floor.

S.B. 1158**Author: Bettencourt****Amends/Enacts: §312.006 Tax Code****Status: Pending in Senate Natural Resources and Economic Development Committee**

This bill would extend the life of the Tax Abatement Act for ten more years. It is virtually identical to several other bills, including H.B. 360, H.B. 499, and S.B. 118.

S.B. 1227**Author: Bettencourt****Amends/Enacts: §§11.4391, 22.23, 25.19, 25.22, 26.01, 26.04, 26.05, 26.06, 26.08, and 41.12 Tax Code****Status: Pending in Senate Property Tax Committee**

A property owner could still file a freeport exemption application after the regular deadline, but not later than June 1. This bill is also discussed under the headings, *Appraisals, Appraisal Districts and ARBs and Assessment*.

S.B. 1322**Author: Taylor****Amends/Enacts: §§11.35, 11.42, 11.43, 11.45, 23.02, 26.012, 41.03, 41.41, and 41.44 Tax Code; §403.302 Government Code****Status: Pending in Senate Property Tax Committee****S.J.R. 49****Author: Taylor****Amends/Enacts: Art VIII, §2 Texas Constitution****Status: Pending in Senate Property Tax Committee**

This proposed constitutional amendment and related bill would allow a taxing unit to adopt a temporary exemption for property damaged in a natural disaster. They are virtually identical to H.B. 492 and H.J.R. 34 discussed above.

S.B. 1391**Author: Menendez****Amends/Enacts: §§11.13 and 11.26 Tax Code; §§41.0011, 42.2512 and 46.101 Education Code; §403.302 Government Code****Status: Pending in Senate Property Tax Committee**

S.J.R. 50**Author: Menendez****Amends/Enacts: Art. VIII, §1-b Texas Constitution****Status: Pending in Senate Property Tax Committee**

This proposed constitutional amendment and related bill would increase the general homestead exemption that applies to school districts from \$25,000 to \$50,000 in 2020. After that, the amount of the exemption would be adjusted from year to year to keep up with inflation. Homeowners with tax freezes would have those freezes adjusted downward to reflect increased exemptions. The state would provide school districts with extra money to compensate them for the tax revenues lost as a result of the increased exemption.

S.B. 1610**Author: Hall****Amends/Enacts: §§312.0022 and 313.024 Tax Code; §§35.201 and 35.202 Utilities Code****Status: Pending in Senate Business and Commerce Committee**

This bill contemplates that the owner of a “solar facility” would enter an agreement with the county in which the facility was located. The agreement would concern the decommissioning of the facility. In the absence of an agreement the property could not receive a tax abatement. This bill is also discussed under the heading, *Miscellaneous*.

S.B. 1617**Author: Hall****Amends/Enacts: §§312.0022 and 313.024 Tax Code****Status: Pending in Senate Business and Commerce Committee**

A property could not receive or keep a tax abatement if a solar or wind-powered energy device were installed on the property. This bill is also discussed under the heading, *Miscellaneous*.

S.B. 1771 ★**Author: Bettencourt****Amends/Enacts: §25.07 Tax Code****Status: Passed by Senate Property Tax Committee; pending in full Senate**

Ordinarily leaseholds or other possessory interests in city-owned convention centers, sports stadia, concert halls, etc. are not separately appraised or taxed. This bill would apparently allow a taxing unit other than the city that owned a facility to tax a possessory interest in the facility unless the governing body of the taxing unit decided to exempt the possessory interest or unless the financing of the facility had been approved by the city’s voters in an election.

S.B. 1772 ★★★**Author: Bettencourt****Amends/Enacts: §§11.35, 11.42, 11.45, 23.02, 26.012, 41.03, 41.41, and 41.44 Tax Code §403.302 Government Code****Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House****S.J.R. 57 ★★****Author: Bettencourt**

Amends/Enacts: Art VIII, §2 Texas Constitution

Status: Passed by Senate; pending in House Ways and Means Committee

This constitutional amendment would authorize the legislature to provide for a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property damaged by a disaster. The bill implementing it is virtually identical to H.B. 492.

S.B. 1838

Author: West

Amends/Enacts: §§312.002, 312.005, and 312.006 Tax Code

Status: Pending in Senate Natural Resources and Economic Development Committee

This bill concerning tax abatements is virtually identical to H.B. 3143 discussed above.

S.B. 1903

Author: Fallon

Amends/Enacts: §§11.35 and 11.43 Tax Code

Status: Pending in Senate Property Tax Committee

S.J.R. 62

Author: Fallon

Amends/Enacts: Art. VIII, §1-p Texas Constitution

Status: Pending in Senate Property Tax Committee

This proposed constitutional amendment and related bill would create an exemption for precious metals held in a depository. They are virtually identical to H.B. 2859 and H.J.R. 95 discussed above.

S.B. 1961

Author: Zaffirini

Amends/Enacts: §11.1825 Tax Code

Pending in Senate Property Tax Committee

In some taxing units in very populous counties, the low-income housing exemption set out in §11.1825 applies to only half of a property's value. This bill would expand it to include all of a property's value.

S.B. 2345 ★

Author: Creighton

Amends/Enacts: §11.211 Tax Code

Status: Passed by Senate Property Tax Committee; pending in full Senate

S.J.R. 74 ★

Author: Creighton

Amends/Enacts: Art. VIII, §2 Tax Code

Status: Passed by Senate Property Tax Committee; pending in full Senate

This proposed constitutional amendment and related bill would create an exemption for property leased to an open-enrollment charter school and used exclusively for the operation or administration of the school or for other educational purposes. The property would have to be reasonably necessary for those purposes. The property owner would have to pass the tax savings

along to the school in the form of reduced rent. The owner would give the school an affidavit explaining the effects of the exemption. The school's leasehold interest would not be taxable.

S.B. 2362

Author: West

Amends/Enacts: §11.13 Tax Code

Status: Pending in Senate Property Tax Committee

S.J.R. 73

Author: West

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in Senate Property Tax Committee

This proposed constitutional amendment and related bill would allow for larger percentage homestead exemptions. They are virtually identical to H.B. 4139 and H.J.R. 129 discussed above.

Appraisals

H.B. 97 ★★

Author: Eddie Rodriguez

Amends/Enacts: §23.51, 23.5211, and 23.5215 Tax Code

Status: Passed by House; pending in Senate Property Tax Committee

When dealing with open-space agricultural appraisals, an appraisal district would have to recognize "uncommon agricultural uses" such as organic, sustainable, pastured poultry and rotational grazing. Those uncommon uses would have their own degree-of-intensity tests based on guidelines from the Comptroller. The definition of "agricultural use" would be expanded to include producing fruits and vegetables. The Comptroller would also develop guidelines for determining whether tracts under ten acres in size used for the production of fruits, vegetables, poultry, hogs, sheep or goats could qualify for open-space appraisal.

An ecological laboratory could qualify for an open-space agricultural appraisal in a year only if it had been used principally for that purpose for five of the seven preceding years.

Land 20 acres or less in size that qualified for open-space agricultural appraisal solely because it was used for beekeeping could not subsequently qualify based on its use for wildlife management.

H.B. 164

Author: Raymond

Amends/Enacts: §23.015 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 20

Author: Raymond

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would exclude from the value of a property any value contributed by improvements or features that are there to comply with the Americans with Disabilities Act.

H.B. 383

Author: Bohac

Amends/Enacts: §23.23 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 28

Author: Bohac

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Pending in House Ways and Means Committee

Under this proposed constitutional amendment and related bill, the cap on increases in the appraised values of residence homesteads would be reduced to 5% per year.

H.B. 564

Author: Nevárez

Amends/Enacts: §23.1241

Status: Pending in House Ways and Means Committee

Natural gas compressors would no longer be taxed as heavy equipment. They would be taxed where they were located and at their market value.

H.B. 768

Author: Sarah Davis

Amends/Enacts: §23.02 Tax Code

Status: Pending in House Ways and Means Committee

Under certain circumstances, an appraisal district would reappraise property damaged in a natural disaster automatically without any taxing unit having to authorize the reappraisal. The automatic reappraisal would apply to all properties that FEMA estimated to have sustained five percent or greater damage. The reappraisals would have to be done within 45 days of the Governor's disaster declaration unless it took longer for FEMA to make its determinations.

H.B. 878

Author: Cecil Bell

Amends/Enacts: §§1.12, 23.23 and 42.26 Tax Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 47

Author: Cecil Bell

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would impose a 5% cap on year-to-year increases in the appraised values of all real properties. For non-homestead properties, the cap would first apply to a property in the year after the first year that the owner owned it on January 1. It would cease to apply in the first year following a change of ownership unless the new owner

were the spouse of the former owner. For a property with multiple owners, a change in 50% or more of the ownership would end the cap.

H.B. 945

Author: Metcalf

Amends/Enacts: §§1.12, 23.23 and 42.26 Tax Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 50

Author: Metcalf

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would impose a 10% cap on year-to-year increases in the appraised values of all real properties. For non-homestead properties, the cap would first apply to a property in the year after the first year that the owner owned it on January 1. It would cease to apply in the first year following a change of ownership unless the new owner were the spouse of the former owner. For a property with multiple owners, a change in 50% or more of the ownership would end the cap. The proposed amendment and bill are virtually identical to H.B. 878 and H.J.R. 47 discussed above.

H.B. 946

Author: Metcalf

Amends/Enacts: §23.23 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 51

Author: Metcalf

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Pending in House Ways and Means Committee

Under this proposed constitutional amendment and related bill, the cap on increases in the appraised values of residence homesteads would be reduced to 5% per year.

H.B. 1036

Author: Beckley

Amends/Enacts: §12.0013 Property Code

Status: Pending in House Business and Industry Committee

A deed conveying real property would have to include the sales price. A purchaser who filed a deed without the sales price would face a fine equal to 5% of the sales price.

H.B. 1188 ★★

Author: Hefner

Amends/Enacts: §§23.54 and 25.25 Tax Code

Status: Passed by House; pending in Senate Property Tax Committee

If open-space agricultural land were transferred from one relative to another, the land would continue to qualify for ag appraisal, even if the new owner did not file a timely application. The new owner, however, would have to give the appraisal district written notice of the transfer within 180 days. This bill is also discussed under the heading, *Appraisal Districts and ARBs*.

H.B. 1333 ★

Author: Krauss

Amends/Enacts: §§1.07, 1.086, 6.054, 6.16, 23.01, 25.19, 25.192, and 25.193 Tax Code

Status: Passed by House Ways and Means Committee; pending in full House

This bill would make it clear that a “cosmetic defect” is a type of individual characteristic that an appraisal district should consider when appraising a property. This bill is also discussed under the headings, *Exemptions*, and *Appraisal Districts and ARBs*.

H.B. 1444

Author: Patterson

Amends/Enacts: §§25.19, 26.09, and 26.095 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 65

Author: Patterson

Amends/Enacts: Art. VIII, §b-1 Texas Constitution

Status: Pending in House Ways and Means Committee

The taxes on real property for a year would be based on the lesser of: 1) the property’s appraised value for that year; or 2) the average appraised value of the property for that year and the four preceding years.

H.B. 1841 ★

Author: Senfronia Thompson

Amends/Enacts: §23.21 Tax Code

Status: Passed by House Ways and Means Committee; pending in full House

Current law directs an appraisal district to recognize restrictions that might affect the value of certain low-income housing. This bill provides that if the sale of a housing unit is subject to an eligible land use restriction, the district could not appraise it above the price for which it could be sold under that restriction. In order for it to affect appraisals, a restriction would have to: be recorded; last at least 40 years; restrict the price for which the housing unit could be sold to a price below market value; and prohibit a sale to anyone other than a family meeting income-eligibility standards.

H.B. 1842 ★

Author: Senfronia Thompson

Amends/Enacts: §23.23 Tax Code

Status: Passed by House Ways and Means Committee; pending in full House

This bill concerns the cap on year-to-year increases in the value of a homestead that is rendered uninhabitable and then replaced. A replacement structure that might otherwise be considered a new improvement will not be so considered if it is built to satisfy the requirements of a “disaster recovery program” funded with community development block grants authorized by federal law.

H.B. 2121

Author: Bailes

Amends/Enacts: §23.041 Tax Code

Status: Pending in House Ways and Means Committee

When appraising real property, an appraisal district would not include the value of “improvements used for the noncommercial production of food for personal consumption.”

H.B. 2124

Author: Bailes

Amends/Enacts: §21.25 Tax Code

Status: Pending in House Ways and Means Committee

Omitted property could be added to appraisal rolls for only two past years. This bill is also discussed under the heading, *Collections*.

H.B. 2160

Author: Raymond

Amends/Enacts: §23.51 Tax Code

Status: Pending in House Ways and Means Committee

Land would qualify as open-space land if the land were currently devoted principally to agricultural use to the degree of intensity generally accepted in the area and if it had been acquired by an owner who owned adjacent qualified open-space land. Apparently, this means that if an owner of open-space agricultural land acquired adjacent land and devoted it to agriculture, he would not have to wait five years before the acquired land could qualify as open-space agricultural land.

H.B. 2182

Author: Toth

Amends/Enacts: §23.041 Tax Code

Status: Pending in House Ways and Means Committee

When appraising real property, an appraisal district would not include the value of “improvements used for the noncommercial production of food for personal consumption.” This bill is virtually identical to H.B. 2121 discussed above.

H.B. 2702

Author: White

Amends/Enacts: §25.21 Tax Code

Status: Pending in House Ways and Means Committee

An appraisal district would no longer be required to back-appraise omitted property. The district could choose whether to pick up the property.

H.B. 2915

Author: Springer

Amends/Enacts: §§11.13, 11.35, 23.1241, 23.1242, 151.0023, 151.0028, 151.0029, 151.00295, 151.00352, 151.00365, 151.00375, 151.00378, 151.0038, 151.00391, 151.00425, 151.0044, 151.00442, 151.0047, 151.006, 151.0101, 151.0108, 151.013, 151.1551, 151.313, 151.314, 151.315, 151.317, 151.3186, 151.319, 151.320, 151.335, 151.350, 151.401, 151.424, 151.425, 151.428, 152.047, 162.014, 164.0001, 164.0002, 164.0003, 164.0004, 164.0005, 165.0001, 165.0002, 165.0003, 165.0004, 165.0005, 165.0006, 165.0007, 171.1012, 183.043, 313.021, 321.203, §42.2516 Education Code; §403.302 Government Code; §2301.008 Occupations Code; 501.0301, 502.257, and 502.258 Transportation Code

Status: Pending in House Ways and Means Committee

H.B. 2942 ★★

Author: Guillen

Amends/Enacts: Chapter 23, Subchapter D, Tax Code

Status: Passed by House; pending in Senate Property Tax Committee

This bill concerns reclamation after surface extraction of sand and other aggregates (“sand mining”) and applies only to land overlying the Carrizo Aquifer and located within 30 miles of the boundary of a municipality with a population of more than 500,000 or within one mile of a building in use as a single-family or multifamily residence. It would require the Texas Commission on Environmental Quality to set standards for reclaiming these lands. Eligibility for agricultural appraisal would be allowed to continue during mining operations, if the owner intends to resume agricultural use after mining ceases, and the land is reclaimed according to these standards, as determined by the TCEQ. The property owner or the appraisal district could appeal an adverse determination to the Commission.

H.B. 2993 ★★

Author: Geren

Amends/Enacts: §§ 1.07 and 23.215 Tax Code

Status: Passed by House; pending in Senate Property Tax Committee

This bill concerns the appraisal of certain low-income rental property owned by an organization and financed under the low-income housing tax credit program Value would be determined on the basis of income and expenses, as provided by Tax Code §11.1825(q). Expenses related to incomplete property that is under construction on January 1 will be pro-rated by the proportion of total construction expenses incurred by January 1. Where properties are completed on January 1 but have not yet reached stabilized occupancy, income would be adjusted to reflect actual occupancy as of January 1.

H.B. 2996

Author: Goodwin

Amends/Enacts: §23.56 Tax Code

Status: Pending in House Ways and Means Committee

Land in a residential subdivision could not qualify as open-space agricultural land.

H.B. 3098

Author: Toth

Amends/Enacts: Statutes too numerous to list

Status: Pending in House Ways and Means Committee

H.J.R. 102

Author: Toth

Amends/Enacts: Art. VIII, §2 Texas Constitution

Status: Pending in House Ways and Means Committee

Under this fanciful bill, all single-family homes, duplexes, triplexes, and quadraplexes would be appraised using the cost approach. Everything else, except vacant land would be appraised using the income approach. If the owner revealed the purchase price of vacant land, a single-family home, duplex, etc., the property would be appraised at that price and the value would be capped

going forward. The bill is also discussed under the headings, *Exemptions, Appraisal Districts and ARBs, and School Finance and Value Studies.*

H.B. 3241

Author: Middleton

Amends/Enacts: §§5.10, 23.01, 23.013, and 25.18 Tax Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

Generally, an appraisal district could not reappraise property more often than once every two years. A property could be reappraised in any year if there were a new improvement, if a homestead cap ended, or if the property owner requested a reappraisal.

The comptroller could not do ratio studies of an appraisal district more often than once every two years.

Under current law, if a value is lowered in one year as the result of a protest or appeal and the appraisal district places a higher value on the property in the following year, that value must be supported by substantial evidence. Under this bill, the Code would simply say that an appraisal district has the burden of supporting an increase in the appraised value of property from the preceding year.

Current law generally says that a market-approach appraisal should use sales that are not more than twenty-four months old unless there are not enough of those sales. This bill would end that exception. Sales older than twenty-four months could never be used.

This bill is also discussed under the heading, *School Finance and Value Studies.*

H.B. 3493

Author: Talarico

Amends/Enacts: §§22.61, 22.62, 22.63, 22.64, 22.65, 22.66, 22.67, and 23.013 Tax Code

Status: Pending in House Ways and Means Committee

This bill would require the disclosure of sales prices of commercial real property, defined as “real property that is held or used for the production of income.” Within ten days following the recording of a deed, either the buyer or the seller would have to report the sales price to the appraisal district using a form set out in the bill. If they failed to do so, the appraisal district could sue them, and the court could make them pay the district’s court costs and attorneys’ fees. A sales price disclosure report would be confidential. The bill also says that an appraisal district could not increase the value of the property solely on the basis of the information contained in the report.

H.B. 3520

Author: Murphy

Amends/Enacts: §§11.4391 and 21.10 Tax Code

Status: Pending in House Ways and Means Committee

Current law allows a property owner to file a late application for interstate allocation of value but imposes a penalty equal to 10% of the owner’s tax savings. This bill would cap the penalty at 10% of the taxes ultimately imposed after allocation is applied. This bill is also discussed under the heading, *Exemptions.*

H.B. 3868

Author: Sanford**Amends/Enacts: §§23.12, 23.1244, 171.701, 171.701, 171.703, 171.704, 171.705, 171.706, and 171.707 Tax Code****Status: Pending in House Ways and Means Committee**

Most retail inventories would be appraised conventionally *and* appraised using a sales-based method similar to the method that now applies to inventories of automobiles, heavy equipment, etc. An appraisal district would average those two values to get the appraised value of a retail inventory. A retailer that failed to file a declaration form would have its inventory appraised conventionally, as would retailer that sold predominately to other retailers. The bill also includes a franchise-tax credit for a retailer who paid more under this hybrid appraisal scheme than it would pay with a purely sales-based appraisal.

H.B. 3869**Author: Sanford****Amends/Enacts: §§23.12 and 23.1244 Tax Code****Status: Pending in House Ways and Means Committee**

Most retail inventories would be subject to the sales-based taxes that now apply to inventories of cars, heavy-equipment, etc. A retailer (other than one selling one of those special types of inventory) could opt to have its inventory appraised conventionally by filing a rendition. A retailer that sold predominately to other retailers would have its inventory appraised conventionally. For a nine-year period beginning in 2020, the sales-based appraised value of an inventory could not be less than a certain percentage of the inventory's market value as determined through conventional appraisal methods. That percentage would be ninety percent in 2020 and decline to ten percent by 2028. Retailers would have to file declaration forms with appraisal districts annually, but not have to make the monthly prepayments that special inventory dealers make.

H.B. 4253**Author: Murr****Amends/Enacts: §§23.52 and 23.521 Tax Code****Status: Pending in House Ways and Means Committee**

One of the things that a property owner can do as a form of wildlife management is predator control. This bill would specify that predator control includes predation management activities conducted by a local predation management organization or by Texas Wildlife Services in cooperation with the organization. In order to qualify, the owner would have to be a member of the local predation management organization and allow the organization or Texas Wildlife Services acting in cooperation with the organization reasonable access to the land to conduct at least one of the approved predation management activities. The Parks and Wildlife Department would define predation management activities.

H.B. 4329**Author: Gutierrez****Amends/Enacts: §23.23 Tax Code****Status: Pending in House Ways and Means Committee****H.J.R. 134****Author: Gutierrez****Amends/Enacts: Art. VIII, §1 Texas Constitution****Status: Pending in House Ways and Means Committee**

Under this proposed constitutional amendment and related bill, the cap on increases in the appraised values of residence homesteads would be reduced to 5% per year.

H.B. 4338

Author: Gutierrez

Amends/Enacts: §§1.12, 23.231, 25.19, 41.41, and 42.26 Tax Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 136

Author: Gutierrez

Amends/Enacts: Art, VIII, §1 Texas Constitution

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would place a 10% cap on year-to-year increases in the appraised values of commercial properties.

H.B. 4494

Author: Toth

Amends/Enacts: §23.23 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 102

Author: Toth

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Pending in House Ways and Means Committee

This bill would freeze the value of residence homesteads at the market value of the property in the first year that the owner qualified the property for the exemption, or if the owner acquired the property as a bona fide purchaser for value, the purchase price. This limitation would take effect on January 1 of the first tax year the property qualified for a homestead exemption. It would not expire until the property was no longer owned by a person qualifying for the exemption, or the spouse or surviving spouse of such a person. Nor would it expire if the property is inherited, as long as the person who acquired the property qualified for a homestead exemption. An owner would have to apply to the chief appraiser for this limitation.

H.B. 4617

Author: Burrows

Amends/Enacts: §§ 23.1241 and 23.1242 Tax Code

Status: Pending in House Ways and Means Committee

This Bill would exclude from a dealer's heavy equipment inventory any equipment leased or rented, except under a purchase option.

H.J.R. 110

Author: Wilson

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Pending in House Ways and Means Committee

The legislature could cap the appraised value of a homestead at the appraised value that was in place the first year that the property qualified for a homestead exemption. There is no implementing bill to go along with the proposed constitutional amendment.

H.J.R. 52

Author: Lucio

Amends/Enacts: Art. VIII, §§ 1 and 20 Texas Constitution

Status: Filed

The Texas Supreme Court surprised everyone last year when it ruled that the Texas Constitution did not require property to be appraised or taxed based on its market value. This proposed constitutional amendment would correct the Court's misinterpretation and make it clear that the Constitution *does* require that taxes be based on market value.

S.B. 135

Author: Nichols

Amends/Enacts: §23.51 Tax Code

Status: Pending in Senate Property Tax Committee

An ecological laboratory could qualify for an open-space agricultural appraisal in a year only if it had been used principally for that purpose for five of the seven preceding years. This bill is virtually identical to H.B. 639 discussed above

S.B. 202

Author: Huffman

Amends/Enacts: §23.02 Tax Code

Status: Pending in Senate Property Tax Committee

This bill concerning reappraisals in the wake of a natural disaster is virtually identical to H.B. 768 discussed above.

S.B. 335 ★★★

Author: West

Amends/Enacts: §§11.1827, 23.21, and 26.10 Tax Code; §373B.003 Local Government Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

When appraising land or a housing unit leased by a community land trust to a qualifying family, an appraisal district would have to use the income approach and take into account the lease terms and other "uses and limitations applicable to the property" when estimating the actual income from the property. The district would have to use the capitalization rate used for other rent-restricted properties. The district would also have to recognize "eligible land use restrictions" on some properties acquired from a trust. This bill is also discussed under the heading, *Exemptions*.

S.B. 411

Author: Hughes

Amends/Enacts: §§23.12 and 23.1244 Tax Code

Status: Pending in Senate Property Tax Committee

Most retail inventories would be subject to the sales-based taxes that now apply to inventories of cars, heavy-equipment, etc. This bill is virtually identical to H.B. 3869 discussed above.

S.B. 453

Author: Creighton

Amends/Enacts: §23.02 Tax Code

Status: Pending in Senate Property Tax Committee

Under certain circumstances, an appraisal district would reappraise property damaged in a natural disaster automatically without any taxing unit having to authorize the reappraisal. This bill is virtually identical to H.B. 768 discussed above.

S.B. 474

Author: Hancock

Amends/Enacts: §23.42 Tax Code

Status: Pending in Senate Property Tax Committee

Current law says that land cannot be appraised as open-space agricultural land if it is used to secure a home-equity loan. This bill would repeal that rule. It is virtually identical to H.B. 1254 discussed above.

S.B. 492

Author: Alvarado

Amends/Enacts: §23.23 Tax Code

Status: Pending in Senate Property Tax Committee

This bill concerning the cap on year-to-year increases in the value of a homestead that is rendered uninhabitable and then replaced is virtually identical to H.B. 1842 discussed above.

S.B. 600

Author: Buckingham

Amends/Enacts: §§11.4391, 22.23, 25.19, 25.22, 26.01, 26.04, 26.05, 26.06, 26.07, 26.08, 26.16, 31.12, 33.08 and 41.12 Tax Code; §130.016 Education Code; §281.124 Health and Safety Code; §140.010 Local Government Code; §§1063.255, 1101.254, 1122.2522, 3828.157, and 8876.152 Special District Local Laws; §§49.107, 49.108, 49.236, and 49.2361 Water Code

Status: Pending in Senate Property Tax Committee

Rendition deadlines would be the same in all counties regardless of whether any taxing units offered the freeport exemption. Renditions would have to be filed by April 1. A property owner could get an automatic extension until May 1. This bill is also discussed under the headings, *Exemptions, Appraisal Districts and ARBs and Assessment*.

S.B. 657

Author: Creighton

Amends/Enacts: §23.23 Tax Code

Status: Pending in Senate Property Tax Committee

S.J.R. 38

Author: Creighton

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Pending in Senate Property Tax Committee

Under this proposed constitutional amendment and related bill, the cap on year-to-year increases in the appraised values of residence homesteads would be reduced to 3% for properties appraised at \$1 million or less and 5% for more valuable properties.

S.B. 701

Author: Nichols

Amends/Enacts: §§23.72, 23.765, 23.9802, and 23.9808 Tax Code

Status: Pending in Senate Property Tax Committee

Land could qualify as timber land or restricted-use timberland even if part of it were used for related purposes such as a road, buffer area, or firebreak. Land would not cease to qualify if part of it were used for oil and gas operations. This bill is virtually identical to H.B. 1409 discussed above.

S.B. 836

Author: Miles

Amends/Enacts: §23.21 Tax Code

Status: Pending in Senate Property Tax Committee

This bill concerning the appraisal of certain low-income housing units is virtually identical to H.B. 1841 discussed above.

S.B. 1086

Author: Seliger

Amends/Enacts: §§1.12, 23.23 and 42.26 Tax Code; §403.302 Government Code

Status: Pending in Senate Property Tax Committee

S.J.R. 46

Author: Seliger

Amends/Enacts: Art. VIII, §1 Texas Constitution

Status: Pending in Senate Property Tax Committee

This is another proposed constitutional amendment and related bill that would extend the cap on year-to-year increases in homestead values to all real properties and reduce the allowable increase to 5%.

S.B. 1013 ★★★

Author: Hughes

Amends/Enacts: §§11.4391 and 21.10 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

Current law allows a property owner to file a late application for interstate allocation of value but imposes a penalty equal to 10% of the owner's tax savings. This bill would cap the penalty at 10% of the taxes ultimately imposed after allocation is applied. Under the House version, the total penalty due to all taxing units could not be less than \$5,000, with each taxing unit getting a share proportional to its taxes. This bill is also discussed under the heading, *Exemptions*.

S.B. 1143

Author: Hughes

Amends/Enacts: §§23.12, 23.1244, 171.701, 171.701, 171.703, 171.704, 171.705, 171.706, and 171.707 Tax Code

Status: Pending in Senate Finance Committee

Most retail inventories would be appraised conventionally *and* appraised using a sales-based method. An appraisal district would average those two values to get the appraised value of a retail inventory. This bill is virtually identical to H.B. 3868 discussed above.

S.B. 1157

Author: Fallon

Amends/Enacts §21.09 Tax Code

Status: Pending in Senate Property Tax Committee

This bill would extend by a month the deadline for filing an application for interstate allocation. It is virtually identical to H.B. 1815 discussed above.

S.B. 1227

Author: Bettencourt

Amends/Enacts: §§11.4391, 22.23, 25.19, 25.22, 26.01, 26.04, 26.05, 26.06, 26.08, and 41.12 Tax Code

Status: Pending in Senate Property Tax Committee

The deadline for filing renditions would be April 1 in every county. A property owner could get an automatic extension until May 1. This bill is also discussed under the headings, *Exemptions, Appraisal Districts and ARBs, and Assessment.*

S.B. 1791

Author: Zaffirini

Amends/Enacts: §§1.12, 23.231, 42.26, Tax Code; §44.004 Education Code; § 403.302 Government Code

Status: Pending in Senate Property Tax Committee

S.J.R. 58

Author: Zaffirini

Amends/Enacts: Section 1, Article VIII, Texas Constitution

Status: Pending in Senate Property Tax Committee

This proposed constitutional amendment and implementing bill would authorize the legislature to give the governing body of a political subdivision in a county in which home prices are appreciating rapidly the option of limiting increases in the appraised value of residence homesteads in certain low-income areas, according to a specific formula.

S. B. 1830

Author: Alvarado

Amends/Enacts: §§ 1.07 and 23.215 Tax Code

Status: Pending in Senate Property Tax Committee

This bill concerns the appraisal of certain low-income housing is virtually identical to H.B. 2993 discussed above.

S.B. 1937

Author: Hinojosa

Amends/Enacts: §21.11 Tax Code

Status: Pending in Senate Property Tax Committee

This bill concerns a pier or dock that extends from land in one county into waters that are in another county. A “dock” extending no more than thirty feet over the water would be taxable by the county in which it meets the land. A “pier” extending more than thirty feet over the water would be taxable by the county in which the water was located.

S.B. 1963

Author: Zaffirini

Amends/Enacts: §23.51 Tax Code

Status: Pending in Senate Property Tax Committee

This Bill would add “fruits and vegetables” to the definition of agricultural use It would also direct the comptroller, with the help of a commission including the Texas A & M University Agricultural Extension Service, appraisal districts, and small farmers, to develop guidelines for determining the eligibility of property of ten acres or less for agricultural appraisal.

Appraisal Districts and ARBs

H.B. 54

Author: Zerwas

Amends/Enacts: §§1.085, 5.01, 5.041, 5.043, 5.05, 5.103, 5.104, 6.412, 41.46, 41.461, 41.47, 41.66, 41.67, 41.71, 41A.06, and 41A.09 Tax Code

Status: Pending in House Ways and Means Committee

The comptroller’s introductory training course for ARB members would have to be at least eight hours long. The continuing-education course would have to be at least four hours long.

Instead of having an opportunity to take an online survey in an ARB’s office, a protesting property owner would be given a survey form to complete at the time and place of her choosing. The form would allow the owner to offer comments and suggestions concerning any matter related to the fairness and efficiency of the ARB. The appraisal district would give one copy of the form to the owner before or at the time of her hearing and mail her another copy along with her ARB order. The owner would have forty-five days in which to complete the form and file it directly with the comptroller. The form could be filed by mail or e-mail, or the owner could complete the survey on the comptroller’s website. Agents for property owners and a designated representative of the appraisal district would also have the opportunity to complete survey forms, one for every hearing.

In a county with 120,000 or more people, an ARB member could serve only three terms in his lifetime. Terms as an auxiliary member would count toward the member’s lifetime limit. Close relatives could not both serve on an ARB at the same time. The local administrative judge would appoint the Chair and Secretary of the ARB from among its members, and would be “encouraged”, if possible, to appoint a chairperson with a background in law and property appraisal.

An ARB could not hold a hearing on a Sunday and there would be some limitation on hearings held after 7:00 pm on weekdays.

An ARB' notice of a hearing would have to identify the "subject matter" of the hearing. Presumably, that means the grounds of protest raised by the owner. At least fourteen days before the first hearing scheduled on a protest, the appraisal district, on request, would have to deliver its evidence to the owner free of charge, not just the evidence that it planned to use. That would severely limit a district's ability to respond to surprises arising at a hearing. The district could not even offer verbal testimony about evidence that it had not delivered. The postponement of a hearing would not give the district an additional opportunity to produce evidence. As an alternative to the physical delivery of its evidence, the district could direct the owner to a specific Internet site where the evidence would be available or agree with the owner to deliver the evidence electronically. The owner would still be entitled, on request to have the evidence delivered by mail.

The rule that prohibits an ARB from making a property owner wait more than two hours for her hearing would be extended to apply to agents. The ARB might schedule an agent for a full day of hearings with the expectation that the owner would work all day. After two hours, however the agent could say, "Hey, I have a tee time. We'll tackle my other protests on another day." An owner or agent can now request that an ARB hold up to twenty hearings on the same day. The bill would allow the owner or agent to request that those hearings be consecutive. An ARB's ability to schedule consecutive hearings for an agent would be seriously limited. The hearing notice would have to state the time that the first hearing would start and the time that the last hearing would end and state the exact order of the hearings. The order could not be changed without the agreement of the agent and the district. The ARB could not reschedule a hearing in a group of consecutive hearings to a date earlier than the seventh day after the date the last hearing was scheduled to end unless the parties agreed. Such a rescheduling would require seven days written notice to the agent.

An ARB could not require the concurrence of more than a simple majority of its members for any decision. Neither could a panel of ARB members.

An ARB could not set the value of a property higher than the value on the appraisal records going into the hearing. At the end of a hearing, the ARB or panel would have to give the owner documents showing that the members who conducted the hearing had signed the affidavit about ex parte communications. The ARB would need to send the owner a copy of its order or the panel's order within fifteen days after the conclusion of the hearing.

This bill is also discussed under the headings *Appraisal District Litigation and Arbitration* and *Miscellaneous*.

H.B. 483

Author: Phelan

Amends/Enacts: §§ 5.12, 5.13, 6.03, 6.031, 6.033, 6.034, 6.036, 6.037, 6.051, 6.06, 6.061, 6.063 and 6.10 Tax Code; § 52.092 Education Code; § 172.024 Election Code

Status: Pending in House Ways and Means Committee

Under this bill, an appraisal district's board of directors would consist of four elected members and the county's tax assessor-collector. One member would be elected from each Commissioner's precinct in the county, and they would serve two-year terms. If the county contracted out its assessment and collection functions, the TAC would be replaced on the board by a director elected at large. A candidate's filing fee would be \$200 in a county with fewer than

200,000 people and \$400 in a larger county. Taxing units would no longer have the power to veto a board's actions.

H.B. 484

Author: Phelan

Amends/Enacts: §25.25 Tax Code

Status: Pending in House Ways and Means Committee

If a homestead sold for a price ten-percent below its appraisal-roll value or less, the ARB could change that value for the year of the sale and for one of the two preceding years. The property owner or the chief appraiser could file a motion with the ARB requesting the change. The moving party would have to show the ARB that the sales price reflected the home's market value.

H.B. 491

Author: Shine

Amends/Enacts: §§6.052, 6.41, 6.42 and 6.43 Tax Code

Status: Pending in House Ways and Means Committee

In a county with fewer than 120,000 people, the appraisal district's directors could choose to have the local administrative district judge appoint the members of the ARB.

In a county with 120,000 or more people, the ARB would have its own checking account for paying the members' per diems and paying the auxiliary members' compensation. The appraisal district would put the money in the account.

Current law says that the appraisal district "may" provide clerical assistance to the ARB. This bill would change "may" to "shall."

H.B. 950

Author: Lucio

Amends/Enacts: §41.47 Tax Code

Status: Pending in House Ways and Means Committee

An ARB could not set the value of a property higher than the value on the appraisal records going into the hearing.

H.B. 1050

Author: Lucio

Amends/Enacts: §25.19 Tax Code

Status: Pending in House Ways and Means Committee

Some of the information that is now included with a notice of appraised value could instead be posted on an appraisal district's website. The notice could simply tell the owner where to find the information on the Internet. That would be true for: estimates of taxes; five-year changes in appraised values; the comptroller's remedies pamphlet; and the notice-of-protest form. A notice pertaining to a property that might qualify for a homestead exemption would not have to include an exemption application form. Instead, it could tell the owner where to find the form on the Internet.

H.B. 1081

Author: Raymond

Amends/Enacts: §25.25 Tax Code**Status: Pending in House Ways and Means Committee**

On the motion of a property owner, an ARB could change an appraisal roll to correct an inaccuracy in the appraised value of the owner's personal property that was the result of an error or omission in a rendition statement or property report. A property owner could not obtain this relief if it had not filed a timely rendition or report, if it had already used the protest process, or if it had agreed to the appraised value of its property.

H.B. 1188 ★★**Author: Hefner****Amends/Enacts: §§23.54 and 25.25 Tax Code****Status: Passed by House; pending in Senate Property Tax Committee**

Under specific circumstances, an ARB could correct a past year's appraisal roll to grant an open-space agricultural appraisal for qualifying land. The movant would have to show by clear and convincing evidence that the ag appraisal had been denied because the land had been transferred from one relative to another and the new owner had not filed a timely application. The successful property owner would pay 10% of his tax savings as a penalty. This bill is also discussed under the heading, *Appraisals*.

H.B. 1333 ★**Author: Krauss****Amends/Enacts: §§1.07, 1.086, 6.03, 6.16, 23.01, 25.19, 25.192, and 25.193 Tax Code****Status: Passed by House Ways and Means Committee; pending in full House**

A person could not be employed by an appraisal district if the person were an officer or employee of a taxing unit served by the appraisal district.

An appraisal district would maintain a list of people who were willing to provide free assistance to homeowners with respect to their homesteads and who were real estate professionals, appraisers or property tax consultants. The district would post the list on its website and provide a copy to a homeowner on request.

If a homeowner made a written request or a request on the appraisal district's website, the appraisal district would send most notices related to the owner's homestead via e-mail.

This bill is also discussed under the hearings, *Exemptions, Appraisals, and Appraisal Districts and ARBs*.

H.B. 1484**Author: Metcalf****Amends/Enacts: §§ 5.12, 5.13, 6.03, 6.031, 6.034, 6.036, 6.037, 6.051, 6.06, 6.061, 6.063, 6.10, and 6.15 Tax Code; §172.024 Election Code****Status: Pending in House Ways and Means Committee**

An appraisal district's board of directors consist of: four members elected from the county's four commissioners' precincts; one member elected at large; and the county TAC. Directors would serve two-year terms beginning on January 1 of odd-numbered years. Taxing units could not overturn actions of the district's board of directors.

H.B. 1485

Author: Metcalf

Amends/Enacts: §§1.15, 5.041, 5.042, 6.035, 6.05, 6.0501, 6.41, 6.411, 22.28, 42.21 Tax Code; §172.024 Election Code; §87.041 Local Government Code; §1151.164 Occupations Code

Status: Pending in House Ways and Means Committee

Chief appraisers would be elected and would serve two-year terms beginning on January 1 of odd-numbered years. In order to serve as the chief appraiser in a county, a person would have to live in that county and would have to have lived there for four years.

H.B. 1486

Author: Munoz

Amends/Enacts: §§ 5.103, 6.41, 6.411, 6.412, 6.413, 6.414, 6.42, and 41.66 Tax Code; §172.024 Election Code

Status: Pending in House Ways and Means Committee

Every ARB would consist of five elected members. Four members would be elected from the four commissioners' precinct and one member would be elected at large. The members would select the ARB's chairperson and secretary. The members could select auxiliary members to assist them. A member could be removed for failing to attend a comptroller's training class. Members could not serve more than four consecutive terms.

H.B. 1534

Author: Phelan

Amends/Enacts: §§ 5.12, 5.13, 6.03, 6.031, 6.033, 6.034, 6.036, 6.037, 6.051, 6.06, 6.061, 6.063 and 6.10 Tax Code; § 52.092 Education Code; § 172.024 Election Code

Status: Pending in House Ways and Means Committee

An appraisal district's board of directors would consist of four elected members and the county's tax assessor-collector. This bill is virtually identical to H.B. 483 discussed above.

H.B. 1551

Author: Hefner

Amends/Enacts: §§1.15, 5.041, 5.042, 6.035, 6.05, 6.0502, 6.41, 6.411, 22.28, 42.21 Tax Code; §172.024 Election Code; §87.041 Local Government Code; §1151.164 Occupations Code

Status: Pending in House Ways and Means Committee

Chief appraisers would be elected and would serve two-year terms. This bill is virtually identical to H.B. 1485 discussed above.

H.B. 1703

Author: Shaheen

Amends/Enacts: §6.412 Tax Code

Status: Pending in House Ways and Means Committee

Under current law, an ARB member who has served all or part of three consecutive terms must leave the ARB and wait at least one year before she can be reappointed. This rule would create a separate rule for counties with more than 550,000 people. In the more populous counties, a term-limited member would have to wait two years before she could be reappointed.

H.B. 1816

Author: Beckley

Amends/Enacts: §41.43, 42.26 and 42.29 Tax Code

Status: Pending in House Ways and Means Committee

This bill would end unequal-appraisal claims based on comparing appraised values. All unequal-appraisal analyses would have to compare appraisal ratios. A party to a protest could compare the appraisal ratio of the subject property to the median level of appraisal of a reasonable number of comparable properties in the appraisal district. The comparability of properties would be based on the factors set out in §23.013 for market-approach appraisals, location, square footage, etc. The comparison would be based on the appraised values submitted to the ARB by the chief appraiser, not values that had been changed after submission. The comptroller would adopt rules governing adjustments to values of industrial properties, refineries, utility properties, and other unique properties. This bill is also discussed under the heading, *Appraisal District Litigation and Arbitration*.

H.B. 2180

Author: Wray

Amends/Enacts: §6.035 Tax Code

Status: Pending in House Ways and Means Committee

A person could not serve on an appraisal district's board of directors if the person had ever been employed by the district.

H.B. 2257 ★

Author: Sanford

Amends/Enacts: §25.25 Tax Code

Status: Passed by House Ways and Means Committee; pending in full House

An ARB could change appraisal rolls for up to five past years to correct an error in the square footage of a homestead. The property owner would have to prove an error that resulted in square footage that exceeds the correct square footage by more than 10%. The bill would likely be a nullity because appraisal rolls do not include the square footages of properties.

H.B. 2574

Author: Burrows

Amends/Enacts: §§1.085, 5.041, 5.043, 5.102, 5.103, 5.104, 6.412, 6.42, 41.46, 41.461, 41.47, 41.66, 41.67, 41.71, 41A.06, 41A.061, and 41A.09 Tax Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

The comptroller's training course for new ARB members would have to be at least eight hours long. The continuing-education course would have to be at least four hours long. People who are not ARB members could be charged up to \$50 for attending a course.

The county population that triggers restrictions on the eligibility of former appraisal district personnel and former officers of taxing units would apply would jump from 100,000 to 120,000. In a county with 120,000 or more people, member could serve only three terms on an ARB during his lifetime. Terms as an auxiliary member would count toward the member's lifetime limit. Close relatives could not both serve on an ARB at the same time. The local administrative judge would appoint the Chair and Secretary of the ARB from among its members.

An ARB could not schedule a hearing on a Sunday, and it could not schedule the first hearing on a protest held on a weekday evening to begin after 7:00 pm.

Under current law, a property owner or agent can file up to twenty protests together and request that they all be heard on the same day, but the person can only do that once with a particular ARB. This bill would allow the person to do that more than once, and the same-day hearings would have to be consecutive. The rule that prohibits an ARB from making a property owner wait more than two hours for her hearing would be extended to apply to agents. An ARB's ability to schedule consecutive hearings for an agent would be seriously limited. The hearing notice would have to state the time that the first hearing would start and the time that the last hearing would end and state the exact order of the hearings. The order could not be changed without the agreement of the agent and the district. The ARB could not reschedule a hearing in a group of consecutive hearings to a date earlier than the seventh day after the date the last hearing was scheduled to end unless the parties agreed. Such a rescheduling would require seven days written notice to the agent.

An ARB's notice of a hearing would have to identify the "subject matter" of the hearing. A property owner could request that the hearing notice be delivered by certified mail. Prior to the first hearing scheduled on a protest, the appraisal district, on request, would have to deliver its evidence to the owner free of charge, not just the evidence that it planned to use. The district could not even offer verbal testimony about evidence that it had not delivered. The postponement of a hearing would not give the district an additional opportunity to produce evidence. As an alternative to the physical delivery of its evidence, the district could direct the owner to a specific Internet site where the evidence would be available or agree with the owner to deliver the evidence electronically. The owner would still be entitled, on request to have the evidence delivered by mail.

An ARB could not require the concurrence of more than a simple majority of its members for any decision. Neither could a panel of ARB members.

At the end of a hearing, the ARB or panel would have to give the owner documents showing that the members who conducted the hearing had signed the affidavit about ex parte communications.

An ARB could not set the value of a property higher than the value on the appraisal records going into the hearing.

The ARB would need to send the owner a copy of its order or the panel's order within fifteen days after the conclusion of the hearing.

Instead of having an opportunity to take an online survey in an ARB's office, a protesting property owner would be given a survey form to complete at the time and place of her choosing. The form would allow the owner to offer comments and suggestions concerning any matter related to the fairness and efficiency of the ARB. Before or at a hearing, the appraisal district would also give a property owner a document describing her right to take the survey. The survey could be filed by mail or e-mail, or the owner could complete the survey on the comptroller's website. Agents for property owners and a designated representative of the appraisal district would also have the opportunity to complete survey forms, one for every hearing. The comptroller would issue annual reports summarizing the survey results.

This bill is also discussed under the headings, *Appraisal District Litigation and Arbitration and Miscellaneous*.

H.B. 2719

Author: Pacheco

Amends/Enacts: §§ 5.12, 5.13, 6.03, 6.031, 6.033, 6.034, 6.036, 6.037, 6.051, 6.06, 6.061, 6.063 and 6.10 Tax Code

Status: Pending in House Ways and Means Committee

An appraisal district's board of directors would consist of five directors elected at large. The County TAC would be a non-voting sixth member. Taxing units would no longer have the power to veto a board's actions.

H.B. 2750

Author: Hefner

Amends/Enacts: §§6.03, 6.031, 6.033, 6.034, 6.036, 6.037, 6.051, 6.06, 6.061, 6.063 and 6.10 Tax Code

Status: Pending in House Ways and Means Committee

An appraisal district's board of directors would consist of four directors appointed by the voting taxing units and one elected director. The size of the board could be increased, but half of any added positions would have to be elected. Taxing units would no longer have the power to veto a board's actions.

H.B. 3098

Author: Toth

Amends/Enacts: Statutes too numerous to list

Status: Pending in House Ways and Means Committee

This bill would end appraisal districts. County TACs would be responsible for appraisals, but a TAC could hire someone to serve as chief appraiser. The ARB members for a county would be appointed by the legislators whose districts include any part of the county. The TAC would determine the size of the ARB. Unequal appraisal claims could no longer be determined based on appraisal ratios. They would all be determined by comparisons of appraised values. The bill is also discussed under the headings, *Exemptions*, *Appraisals*, and *School Finance and Value Studies*.

H.B. 3256

Author: Dean

Amends/Enacts: §§6.03 and 6.054 Tax Code

Status: Filed

An officer of a taxing unit served by an appraisal district could not serve on that appraisal district's board of directors. An officer or employee of a taxing unit served by an appraisal district could not be an employee of that appraisal district.

H.B. 4355

Author: Burrows

Amends/Enacts: §25.25 Tax Code

Status: Pending in House Ways and Means Committee

On the motion of a property owner, an ARB could change an appraisal roll to correct an inaccuracy in the appraised value of the owner's personal property that was the result of an error or omission

in a rendition statement or property report. This bill is virtually identical to H.B. 1081 discussed above.

S.B. 67

Author: Nelson

Amends/Enacts: §§1.085, 5.01, 5.041, 5.043, 5.102, 5.103, 5.104, 6.412, 6.42, 41.46, 41.461, 41.47, 41.66, 41.67, 41.71, 41A.06, 41A.061, and 41A.09 Tax Code; §403.302 Government Code

Status: Pending in Senate Property Tax Committee

The comptroller's introductory training course for ARB members would have to be at least eight hours long. The continuing-education course would have to be at least four hours long. The bill would make it clear that the comptroller could charge non-ARB members for attending the courses.

Instead of having an opportunity to take an online survey in an ARB's office, a protesting property owner would be given a survey form to complete at the time and place of her choosing. The form would allow the owner to offer comments and suggestions concerning any matter related to the fairness and efficiency of the ARB. Before or at a hearing, the appraisal district would also give a property owner a document describing her right to take the survey. The owner would have forty-five days in which to complete the survey and file it directly with the comptroller. The survey could be filed by mail or e-mail, or the owner could complete the survey on the comptroller's website. Agents for property owners and a designated representative of the appraisal district would also have the opportunity to complete survey forms, one for every hearing.

The county population that triggers restrictions on the eligibility of former appraisal district personnel and former officers of taxing units would apply would jump from 100,000 to 120,000. In a county with 120,000 or more people, member could serve only three terms on an ARB during his lifetime. Terms as an auxiliary member would count toward the member's lifetime limit. Close relatives could not both serve on an ARB at the same time. The local administrative judge would appoint the Chair and Secretary of the ARB from among its members.

A notice of protest could direct an ARB to deliver its hearing notice by certified mail, but the ARB could require the property owner to pay the cost of the certified mail. An ARB could not hold a hearing on a Sunday and there would be some limitation on hearings held after 7:00 pm on weekdays.

An ARB' notice of a hearing would have to identify the "subject matter" of the hearing. Prior to the first hearing scheduled on a protest, the appraisal district, on request, would have to deliver its evidence to the owner free of charge, not just the evidence that it planned to use. Further, the district would have to master time travel because the district would have to deliver its evidence at least fourteen days before the first hearing no matter when the property owner requested the evidence. The district could not even offer verbal testimony about evidence that it had not delivered. The postponement of a hearing would not give the district an additional opportunity to produce evidence. As an alternative to the physical delivery of its evidence, the district could direct the owner to a specific Internet site where the evidence would be available or agree with the owner to deliver the evidence electronically. The owner would still be entitled, on request to have the evidence delivered by mail.

Under current law, a property owner or agent can file up to twenty protests together and request that they all be heard on the same day, but the person can only do that once with a particular

ARB. This bill would allow the person to do that more than once, and the same-day hearings would have to be consecutive. The rule that prohibits an ARB from making a property owner wait more than two hours for her hearing would be extended to apply to agents. An ARB's ability to schedule consecutive hearings for an agent would be seriously limited. The hearing notice would have to state the time that the first hearing would start and the time that the last hearing would end and state the exact order of the hearings. The order could not be changed without the agreement of the agent and the district. The ARB could not reschedule a hearing in a group of consecutive hearings to a date earlier than the seventh day after the date the last hearing was scheduled to end unless the parties agreed. Such a rescheduling would require seven days written notice to the agent.

An ARB could not require the concurrence of more than a simple majority of its members for any decision. Neither could a panel of ARB members. An ARB could not set the value of a property higher than the value on the appraisal records going into the hearing. At the end of a hearing, the ARB or panel would have to give the owner documents showing that the members who conducted the hearing had signed the affidavit about ex parte communications. The ARB would need to send the owner a copy of its order or the panel's order within fifteen days after the conclusion of the hearing.

This bill is also discussed under the headings *Appraisal District Litigation and Arbitration* and *Miscellaneous*.

S.B. 211

Author: Flores

Amends/Enacts: §§ 41.45, 42.35, 42.36, 42.37, and 42.38 Tax Code

Status: Pending in Senate Property Tax Committee

If a property owner filed an affidavit in connection with an ARB hearing, the ARB and the chief appraiser would have to review the evidence or argument provided by the property owner before the hearing. The bill is virtually identical to H.B. 994, discussed above. It is also discussed under the heading, *Appraisal District Litigation and Arbitration*

S.B. 347 ★★★

Author: Flores

Amends/Enacts: §6.03 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

In order to serve on an appraisal district's board of directors, a person would have to be an elected member of the governing body of a taxing unit entitled to vote on the appointment of the district's directors.

S.B. 596

Author: Buckingham

Amends/Enacts: §§41.41, 41.43, and 41.47 Tax Code

Status: Pending in Senate Property Tax Committee

Neither an appraisal district nor an ARB could charge a fee in connection with a protest.

An appraisal district could not offer as evidence the appraised value of a comparable property if the comparable were the subject of a protest in that year unless, at or before the ARB hearing,

the district provided the protesting property owner a statement disclosing the protest related to the comparable.

An ARB could not set the value of a property higher than the value on the appraisal records going into the hearing.

S.B. 597 ★★★

Author: Buckingham

Amends/Enacts: §41.41 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

S.J.R. 36 ★★★

Author: Buckingham

Amends/Enacts: Art VIII, §18 Texas Constitution

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

Neither an appraisal district nor an ARB could charge a fee in connection with a protest. The Constitution would prevent the legislature from allowing such a fee.

S.B. 598

Author: Buckingham

Amends/Enacts: §41.47 Tax Code

Status: Pending in Senate Property Tax Committee

An ARB could not set the value of a property higher than the value on the appraisal records going into the hearing.

S.B. 599

Author: Buckingham

Amends/Enacts: §41.43 Tax Code

Status: Pending in Senate Property Tax Committee

An appraisal district could not offer as evidence the appraised value of a comparable property if the comparable were the subject of a protest in that year unless, at or before the ARB hearing, the district provided the protesting property owner a statement disclosing the protest related to the comparable.

S.B. 600

Author: Buckingham

Amends/Enacts: §§11.4391, 22.23, 25.19, 25.22, 26.01, 26.04, 26.05, 26.06, 26.07, 26.08, 26.16, 31.12, 33.08 and 41.12 Tax Code; §130.016 Education Code; §281.124 Health and Safety Code; §140.010 Local Government Code; §§1063.255, 1101.254, 1122.2522, 3828.157, and 8876.152 Special District Local Laws; §§49.107, 49.108, 49.236, and 49.2361 Water Code

Status: Pending in Senate Property Tax Committee

The target date for an appraisal district delivering notices of appraised value would be April 15 for all types of properties. There would no longer be a separate date for notices concerning homesteads. An appraisal district would submit its appraisal records to the ARB by May 1. The

ARB would approve appraisal records by July 5. The District would certify appraisal rolls by July 10, but it would have until May 15 to certify value estimates. This bill is also discussed under the headings, *Exemptions, Appraisals and Assessment*.

S.B. 635

Author: Flores

Amends/Enacts: §§ 41.45, 42.35, 42.36, 42.37, and 42.38 Tax Code

Status: Pending in Senate Property Tax Committee

If a property owner filed an affidavit in connection with an ARB hearing, the ARB and the chief appraiser would have to review the evidence or argument provided by the property owner before the hearing. It is also discussed under the heading, *Appraisal District Litigation and Arbitration*.

S.B. 853

Author: Johnson

Amends/Enacts: §41.43, 42.26 and 42.29 Tax Code

Status: Pending in Senate Property Tax Committee

This bill would end unequal-appraisal claims based on comparing appraised values. It is similar to H.B. 1816 discussed above. This bill, however, would not require the comptroller to adopt rules. It would allow an appraisal district to disclose confidential information in order to prove appraisal equality as long as the district did not identify a specific property or property owner. This bill is also discussed under the heading, *Appraisal District Litigation and Arbitration*.

S.B. 955 ★★★

Author: Bettencourt

Amends/Enacts: §41.03

Status: Passed by Senate; Passed by House Ways and Means Committee; pending in full House

A taxing unit could no longer file a challenge concerning appraised values.

S.B. 956 ★★★

Author: Bettencourt

Amends/Enacts: §25.25 Tax Code

Status: Passed by Senate; Passed by House Ways and Means Committee; pending in full House

On the motion of a property owner, an ARB could change an appraisal roll to correct an inaccuracy in the appraised value of the owner's personal property that was the result of an error or omission in a rendition statement or property report. A property owner could not obtain this relief if it had not filed a timely rendition or report, if it had already used the protest process, or if it had agreed to the appraised value of its property. The property owner could not obtain this relief if it had previously filed a §25.25 motion that was determined by the ARB, settled by agreement, or dismissed for nonpayment of taxes.

S.B. 1146

Author: Fallon

Amends/Enacts: §6.035 Tax Code

Status: Pending in Senate Property Tax Committee

In a county with more than 20,000 people, an elected or appointed officer of a taxing unit located wholly or partly in that county could not serve as chief appraiser of the appraisal district that served that county. (Rudy Durham comes to mind)

S.B. 1227

Author: Bettencourt

Amends/Enacts: §§11.4391, 22.23, 25.19, 25.22, 26.01, 26.04, 26.05, 26.06, 26.08, and 41.12 Tax Code

Status: Pending in Senate Property Tax Committee

Notices of appraised value for all types of property would be sent out by April 15. The chief appraiser would submit the appraisal records to the ARB by May 1. The chief appraiser would certify value estimates to taxing units by May 15. The ARB would approve the appraisal records by July 5, and the chief appraiser would certify appraisal rolls to taxing units by July 10. This bill is also discussed under the headings, *Exemptions*, *Appraisals*, and *Assessment*.

S.B. 1261 ★★★

Author: Bettencourt

Amends/Enacts: §6.054 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

An elected or appointed officer of a taxing unit located wholly or partly in a county could not serve as chief appraiser of the appraisal district that served that county.

S.B. 1986

Author: Creighton

Amends/Enacts: §§ 5.103, 6.052, 6.41, 6.4101, 6.411, 6.412, 6.413, 6.414, 6.42, and 41.66 Tax Code; §172.024 Election Code

Status: Pending in Senate Property Tax Committee

Every ARB would consist of three members elected at large. The members would select the ARB's chairperson and secretary. The members could determine the number of auxiliary members necessary to assist them. The county commissioners would select the auxiliary members, but the regular members would make recommendation to the commissioners. A member could be removed for failing to attend a comptroller's training class.

S.B. 1987 ★★

Author: Creighton

Amends/Enacts: §§6.411, 6.413, 6.414, 6.44, 6.45, and 41.66 Tax Code; §172.024 Election Code

Status: Passed by Senate; pending in House Ways and Means Committee

The ARBs in Fort Bend and Montgomery counties would consist of three members elected at large. The members would select the ARB's chairperson and secretary. The members could determine the number of auxiliary members necessary to assist them. The county commissioners would select the auxiliary members, but the regular members would make recommendation to the commissioners. A member could be removed for failing to attend a comptroller's training class.

S.B. 2246

Author: Paxton

Amends/Enacts: §25.25 Tax Code
Status: Pending in Senate Property Tax Committee

An ARB's authority to correct one-third over-appraisal errors would be expanded to include unequal-appraisal claims. This bill is virtually identical to H.B. 2159 discussed above.

S.J.R. 63
Author: Lucio
Amends/Enacts: Art VIII, §18 Texas Constitution
Status: Pending in Senate Property Tax Committee

Neither an appraisal district nor an ARB could charge a fee in connection with a protest. This proposed constitutional amendment is virtually identical to S.J.R. 36 discussed above.

Appeals

H.B. 54
Author: Zerwas
Amends/Enacts: §§1.085, 5.01, 5.041, 5.043, 5.05, 5.103, 5.104, 6.412, 41.46, 41.461, 41.47, 41.66, 41.67, 41.71, 41A.06, and 41A.09 Tax Code
Status: Pending in House Ways and Means Committee

The comptroller would create a training program on property tax law for arbitrators. An arbitrator would have to complete at least four hours of legal training including training about unequal-appraisal issues. The arbitrator would also have to attend an ARB training course, but the bill does not say whether that means the introductory course or the continuing-education course. The program could be provided online. The comptroller would create training materials including an arbitration manual with the approval of a committee with equal numbers of members representing taxpayers and chief appraisers. This bill is also discussed under the headings *Appraisal Districts and ARBs* and *Miscellaneous*.

H.B. 443
Author: Meyer
Amends/Enacts: §41.0932 Education Code
Status: Pending in House Public Education Committee

A wealthy school district buying attendance credits would be able to retain m&o tax revenue sufficient to pay the district's average m&o costs per student for the last three years adjusted for inflation. The TEA would determine the average m&o costs and make the adjustment for inflation.

H.B. 1704
Author: Shaheen
Amends/Enacts: 41A.07 Tax Code
Status: Pending in House Ways and Means Committee

Under current law, an arbitrator must wait five years before he can arbitrate a case involving an appraisal district if the arbitrator is; a former officer or employee of the district; a former ARB member in the district's county; or a tax consultant who represented clients in that county. This bill would shorten the waiting period to two years.

H.B. 1745 ★**Author: Geren****Amends/Enacts: §41.81 Tax Code****Status: Passed by House Ways and Means Committee; pending in full House**

A property owner or an agent could sue an appraisal district, a chief appraiser, or an ARB with a claim that the defendant(s) had not followed a “procedural requirement” of the Tax Code or of an ARB rule. No discovery would be allowed, and the trial court would have to hold a hearing on the earliest possible date. A successful owner or agent could recover attorney’s fees, but a successful defendant could not. A trial court’s decision could not be appealed.

H.B. 1816**Author: Beckley****Amends/Enacts: §41.43, 42.26 and 42.29 Tax Code****Status: Pending in House Ways and Means Committee**

This bill would end unequal-appraisal claims based on comparing appraised values. All unequal-appraisal analyses would have to compare appraisal ratios. A party to an appeal could compare the appraisal ratio of the subject property to the median level of appraisal of a reasonable number of comparable properties in the appraisal district. The comparability of properties would be based on the factors set out in §23.013 for market-approach appraisals, location, square footage, etc. The comparison would be based on the appraised values submitted to the ARB by the chief appraiser, not values that had been changed after submission. A property owner would have to prove that the appraised value of its property was at least 10% higher than the median level of appraisal. If the appraisal district prevailed, it could recover attorney’s fees up to \$15,000. The comptroller would adopt rules governing adjustments to values of industrial properties, refineries, utility properties, and other unique properties. This bill is also discussed under the heading, *Appraisal Districts and ARBs*.

H.B. 1882**Author: Krause****Amends/Enacts: §41A.03 Tax Code****Status: Pending in House Ways and Means Committee**

Current law allows a property owner to arbitrate the values of two or more contiguous tracts of land with one arbitration deposit. This bill would add language saying that tracts could be considered contiguous even if they were classified differently, “provided that the tracts of land constitute the same economic unit.”

H.B. 2200**Author: Wray****Amends/Enacts: §42.23 Tax Code****Status: Pending in House Ways and Means Committee**

In 2015 the legislature passed a bill saying that when an appraisal district employee testifies in an appeal about the value of real property, the court may give “preference” to the testimony of an appraisal district’s employee who is a real-estate appraiser licensed or certified by the TALCB. That provision is not scheduled to take effect until 2020. This bill would repeal it before it takes effect.

H.B. 2574

Author: Burrows

Amends/Enacts: §§1.085, 5.041, 5.043, 5.102, 5.103, 5.104, 6.412, 6.42, 41.46, 41.461, 41.47, 41.66, 41.67, 41.71, 41A.06, 41A.061, and 41A.09 Tax Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

The comptroller would create a training program on property tax law for arbitrators. An arbitrator would have to complete at least four hours of legal training including training about unequal-appraisal issues. The arbitrator would also have to attend ARB training courses, both the introductory course or the continuing-education course. The new program could be provided online. The comptroller would create training materials including an arbitration manual with the unanimous approval of a committee with equal numbers of members representing taxpayers and chief appraisers. Any revisions of the manual would also require the unanimous approval of that committee. An arbitrator who had viewed the program once would have to view it again if it were revised.

This bill is also discussed under the headings, *Appraisal Districts and ARBs* and *Miscellaneous*.

H.B. 4108

Author: Sheffield

Amends/Enacts: §42.08 Tax Code

Status: Pending in House Ways and Means Committee

In an appeal involving a nuclear power plant, the property owner would have to pay the full tax assessment in order to maintain its appeal. A partial payment would not be sufficient.

H.B. 4194

Author: Middleton

Amends/Enacts: §§42.43 Tax Code

Status: Pending in House Ways and Means Committee

Under current law, tax refunds resulting from court appeals bear interest at the usurious rate of 9.5%. This bill would set a more reasonable interest if the property involved in the lawsuit were a refinery. The interest rate would be the auction average rate quoted on a bank discount basis for one-month treasury bills as published by the Federal Reserve Board, for the week in which the taxes became delinquent, but not more than 4 percent.

S.B. 67

Author: Nelson

Amends/Enacts: §§1.085, 5.01, 5.041, 5.043, 5.102, 5.103, 5.104, 6.412, 6.42, 41.46, 41.461, 41.47, 41.66, 41.67, 41.71, 41A.06, 41A.061, and 41A.09 Tax Code; §403.302 Government Code

Status: Pending in Senate Property Tax Committee

The comptroller would create a training program on property tax law for arbitrators. An arbitrator would have to complete at least four hours of legal training including training about unequal-appraisal issues. The arbitrator would also have to attend ARB training courses, both the introductory course or the continuing-education course. The new program could be provided online. The comptroller would create training materials including an arbitration manual with the unanimous approval of a committee with equal numbers of members representing taxpayers and chief appraisers. Any revisions of the manual would also require the unanimous approval of that

committee. An arbitrator who had viewed the program once would have to view it again if it were revised. This bill is also discussed under the headings *Appraisal Districts and ARBs* and *Miscellaneous*.

S.B. 211

Author: Flores

Amends/Enacts: §§ 41.45, 42.35, 42.36, 42.37, and 42.38 Tax Code

Status: Pending in Senate Property Tax Committee

In Atascosa County, a property owner could appeal an ARB order to a justice court. The bill is virtually identical to H.B. 994. It is also discussed under the heading, *Appraisal Districts and ARBs*.

S.B. 449 ★★★★★

Author: Creighton

Amends/Enacts: §42.23 Tax Code

Status: Passed by Senate; amended version passed by House

In 2015 the legislature passed a bill saying that when an appraisal district employee testifies in an appeal about the value of real property, the court may give “preference” to the testimony of an appraisal district’s employee who is a real-estate appraiser licensed or certified by the TALCB. That provision is not scheduled to take effect until 2020. This bill would repeal it before it takes effect.

S.B. 635

Author: Flores

Amends/Enacts: §§ 41.45, 42.35, 42.36, 42.37, and 42.38 Tax Code

Status: Pending in Senate Property Tax Committee

In a county with fewer than 120,000 people, a property owner could appeal an ARB order to a justice court. This bill is also discussed under the heading, *Appraisal Districts and ARBs*.

S.B. 853

Author: Johnson

Amends/Enacts: §41.43, and 42.26 Tax Code

Status: Pending in Senate Property Tax Committee

This bill would end unequal-appraisal claims based on comparing appraised values. It is very similar to H.B. 1816 discussed above, but it would not allow an appraisal district to recover attorney’s fees. This bill is also discussed under the heading, *Appraisal Districts and ARBs*.

S.B. 854

Author: Johnson

Amends/Enacts: §42.29 Tax Code

Status: Pending in Senate Property Tax Committee

A property owner could recover attorney’s fees in an appeal only if the value set by the court were less than 90% of the appraisal-roll value. An appraisal district could recover attorney’s fees if the value set by the court were at least 10% greater than the appraisal-roll value.

S.B. 1029 ★★★★★

Author: Hall

Amends/Enacts: §41A.07 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

Under current law certain arbitrators who have some connection to a particular appraisal district have to wait five years before they can arbitrate cases involving that appraisal district. This applies to former officers and employees of the district, former members of the ARB, and tax consultants who appeared before the ARB. This bill would shorten the waiting period to two years.

S.B. 1428 ★★★

Author: Hancock

Amends/Enacts: §41.81 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

A property owner could sue an appraisal district, a chief appraiser, or an ARB with a claim that the defendant(s) had not followed a “procedural requirement” of the Tax Code or of an ARB rule. The property owner would first have to give the chief appraiser, district or ARB written notice of the procedure or rule not followed and allow ten days for that party to respond. The suit would have to be filed within a thirty-day period. No discovery would be allowed, and the trial court would have to hold a hearing on the earliest possible date. A successful owner or agent could recover attorney’s fees, but a successful defendant could not. A trial court’s decision could not be appealed.

S.B. 1429

Author: Hancock

Amends/Enacts: §41A.03 Tax Code

Status: Pending in Senate Property Tax Committee

A property owner who chooses to appeal an ARB order through arbitration now has 45 days in which to file his request and deposit. This bill would expand that period to 60 days.

S.B. 1520

Author: Campbell

Amends/Enacts: §42.42 Tax Code

Status: Pending in Senate Property Tax Committee

If a property owner filing an appeal under Chapter 42 paid less than the full assessment on her property and then owed more after the case was finally decided, she could pay the additional amount without penalties or interest as long as she paid it timely.

S.B. 1592

Author: Fallon

Amends/Enacts: §305.026 Government Code

Status: Pending in Senate State Affairs Committee

This bill would prevent an appraisal district from using public money to directly or indirectly influence or attempt to influence the legislature.

Assessment

H.B. 163

Author: Canales

Amends/Enacts: §23.55 Tax Code

Status: Pending in House Ways and Means Committee

Rollbacks taxes on open-space agricultural land would recapture lost taxes for just three years instead of five. The interest rate on rollback taxes would drop to 5%.

H.B. 322

Author: Geren

Amends/Enacts: §§11.26, 23.19, and 26.012 Tax Code; §42.302 Education Code

Status: Pending in House Ways and Means Committee

H.J.R. 26

Author: Geren

Amends/Enacts: Art. VIII, §1-b Tax Code

Status: Pending in House Ways and Means Committee

The school tax freeze that currently applies to homesteads of people who are disabled or over 65 would be expanded to include all taxing units. There would no longer be any local option for cities, counties or junior college districts.

H.B. 470

Author: Paul

Amends/Enacts: §§26.012, 26.04, 26.041, 26.043, 26.07, 26.08, 26.16, 31.12, and 33.08 Tax Code; §130.016 Education Code; §281.124 Health and Safety Code; §140.010 Local Government Code; §§1063.255, 1101.254, 1122.2522 and §3828.157, 8876.152 Special District Local Laws Code; §§49.107, 49.108, 49.236, and 49.2361 Water Code

Status: Pending in House Ways and Means Committee

A taxing unit's rollback tax rate would be calculated by multiplying the unit's effective M & O rate by 1.04 and adding the unit's debt rate. An election would be automatic if an adopted tax rate were higher than the rollback tax rate. Different rules would apply to a "small taxing unit," defined as a taxing unit with a population of less than 40,000. A small taxing unit would use 1.08 in calculating its rollback tax rate. A rollback election would still require a petition signed by voters.

H.B. 490

Author: Shine

Amends/Enacts: §§5.01, 5.07, 5.091, 5.102, 25.19, 26.012, 26.04, 26.041, 26.043, 26.044, 26.0441, 26.05, 26.052, 26.06, 26.065, 26.08, 26.16, 26.17, and 26.18, Tax Code; §§45.105 and 130.016 Education Code; §403.302 Government Code; §§102.007, 111.039, and 140.010 Local Government Code

Status: Pending in House Ways and Means Committee

The effective tax rate would be renamed the "no-new-revenue rate," but the formula for its calculation would not change. Neither would the formula for calculating a rollback rate. Rates would be calculated using electronic forms from the Comptroller. The person doing the calculations would certify that the rates were calculated accurately using the values shown in the taxing unit's appraisal roll. The governing body could not adopt a tax rate without that certification.

The notice concerning the rates could be posted on the taxing unit's website as an alternative to publication or mailing.

A notice of appraised value would no longer include an estimate of taxes. Instead, the appraisal district would send each property owner another notice, either by mail or e-mail. The notice would be sent by August 7 and would tell the property owner how to find a tax estimate on a database maintained by the appraisal district. (That database would include extensive information provided by the taxing units about taxes and rates and links to the taxing units' websites.) The notice would also tell the property owner how to contact the county TAC and how to find tax-related information that taxing units posted on the Internet. A taxing unit's governing body could not hold a hearing or adopt a tax rate before the seventh day after the appraisal district sent out the notices. A taxing unit would have to post extensive tax and financial information on the Internet. If a taxing unit failed to make a good-faith effort to comply with truth-in-taxation rules, any property owner could sue for an injunction to stop tax collections. The suit could be filed within 15 days following the adoption of the tax rate, and property owners would not have to pay while the suit was pending.

This bill is also discussed under the heading *Miscellaneous*.

H.B. 569

Author: Capriglione

Amends/Enacts: §31.01 Tax Code

Status: Pending in House Ways and Means Committee

School districts would have to include additional information on their tax bills. A wealthy school district that purchased attendance credits would have to state: 1) the percentage of its m&o taxes that went to the state; and 2) the percentage of its m&o taxes that it got to keep. A non-wealthy district would have to state for the current year and the preceding year: 1) the percentage of its m&o revenue that came from its own taxes; and 2) the percentage of its m&o revenue that came from the state.

H.B. 614

Author: Murphy

Amends/Enacts: §§23.46, 23.47, 23.55, 23.58, 23.76, and 23.9807 Tax Code

Status: Pending in House Ways and Means Committee

Rollbacks taxes on open-space agricultural land would recapture lost taxes for just three years instead of five. No interest would be charged if the rollback taxes were paid timely. The same would be true for rollback taxes on timberland and restricted-use timberland.

H.B. 622

Author: Neave

Amends/Enacts: §§11.262, 23.19, 26.012, and 31.01 Tax Code; §44.004 Education Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 41

Author: Neave

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

If a homestead were located in a disaster area declared by the governor and rendered uninhabitable or unusable by the disaster, this bill would impose a five-year ceiling on the taxes on that homestead. A taxing unit could not impose taxes higher than those imposed in the year of the disaster. A property owner would have to file an application for the benefit, but he could do so any time within one year of the disaster. The benefit would no longer apply if the property ceased to be the owner's homestead.

H.B. 735

Author: VanDeaver

Amends/Enacts: §26.08 Tax Code

Status: Pending in House Public Education Committee

This bill would make some changes in the way that some school districts calculate their rollback rates. It would apply to a district: 1) that had a 2005 M&O rate of \$1.50 or less; and 2) whose voters had approved its tax rate in an election in 2006 or in any subsequent year. In addition to calculating a rollback rate as provided by current law, the district would also calculate an alternative rollback rate equal to the highest M&O rate it had adopted in 2007 or any subsequent year in which its adopted rate was approved by its voters, plus its current debt rate. The district would use the higher of the two rollback rates. This rule would apply only to a district that had at some time during the preceding ten years adopted a rate higher than the new alternative rollback rate. The comptroller would study the effects of the bill.

H.B. 794

Author: Phil King

Amends/Enacts: §§ 1.07, 23.20, 23.52, 23.524, 23.55, 23.551, 23.58, 31.01, 41.41, and 41.44 Tax Code; 60.022 Agriculture Code; §21.0421 Property Code

Status: Pending in House Ways and Means Committee

This bill would end rollback taxes on open-space agricultural land.

H.B. 821

Author: Leach

Amends/Enacts: §31.01 Tax Code

Status: Pending in House Ways and Means Committee

This bill would require a school district's tax bills to include information about how the Robin Hood system affects the district. It is virtually identical to H.B. 569 and S.B. 328.

H.B. 841

Author: Bucy

Amends/Enacts: §26.08 Tax Code

Status: Pending in House Public Education Committee

This bill concerning school districts' rollback rates is virtually identical to H.B. 735 discussed above.

H.B. 913

Author: Shaheen

Amends/Enacts: §§26.04 and 26.041 Tax Code; §8876.152 Special District Local Laws Code; §49.236 and 49.2361 Water Code

Status: Pending in House Ways and Means Committee

The figure of 1.08 in the rollback tax rate calculation would be replaced with 1.04.

H.B. 959

Author: Julie Johnson

Amends/Enacts: §26.08 Tax Code

Status: Pending in House Public Education Committee

This bill concerning school districts' rollback rates is virtually identical to H.B. 735 and H.B. 841 discussed above.

H.B. 1032

Author: Bohac

Amends/Enacts: §§11.26, 11.261, 23.19, and 26.012 Tax Code; §42.302 Education Code

Status: Pending in House Ways and Means Committee

H.J.R. 53

Author: Bohac

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

The freeze that now applies to school taxes on the homesteads of people who are over 65 or disabled would apply to taxes by all taxing units. Additionally, the surviving-spouse provision that now applies to homesteads of people over 65 would also apply to homesteads of disabled people. This proposed constitutional amendment and related bill are virtually identical to H.B. 322 and H.J.R. 26 discussed above.

H.B. 1062

Author: Wray

Amends/Enacts: §11.26 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 54

Author: Wray

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

The freeze that applies to school taxes on the homestead of a disabled person could be inherited by the person's surviving spouse. But the bill would apply only where the disabled homeowner died after January 1, 2013.

H.B. 1102

Author: Bernal

Amends/Enacts: §11.262, 23.19, and 26.012 Tax Code; §44.004 Education Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 56

Author: Bernal

Amends/Enacts: Art. VIII, §1-b-1 Texas Constitution

Status: Pending in House Ways and Means Committee

If the school taxes on a person's homestead increased by 120% or more over a fifteen-year period, the school taxes for subsequent years would be frozen for as long as the property remained the person's homestead. If the owner added improvements during the fifteen years, the additional taxes resulting from those new improvements would not count toward the 120% increase. If a person who qualified for the tax freeze died, his surviving spouse could inherit the benefit.

H.B. 1213

Author: Hefner

Amends/Enacts: §1.07, 23.20, 23.52, 23.55, 23.551, 23.58, 31.01, 41.41 and 41.44 Tax Code; §60.022 Agriculture Code; §21.0421 Property Code

Status: Pending in House Ways and Means Committee

This bill would do away with rollback taxes on open-space agricultural land

H.B. 1247

Author: Ashby

Amends/Enacts: §23.46 Tax Code

Status: Pending in House Land and Resource Management Committee

If 1-d agricultural land became subject to rollback taxes because it was condemned, this bill would make it clear that the condemning entity and not the former owner would be responsible for those taxes.

H.B. 1265

Author: Bailes

Amends/Enacts: §11.261 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 60

Author: Bailes

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

If a homeowner received a tax freeze from a city, a county, or a junior college district, the homeowner could transfer the freeze to another homestead in a different city, county or junior college district, as long as the taxing unit in which the new homestead was located granted tax freezes.

H.B. 1970

Author: Hefner

Amends/Enacts: §23.55 Tax Code

Status: Pending in House Ways and Means Committee

The rollback tax on open-space agricultural land would recapture two years of lost taxes, not five years.

H.B. 1978

Author: Harris

Amends/Enacts: §§1.07, 23.20, 23.46, 23.465, 23.47, 23.52, 23.524, 23,545, 23.55, 23.551, 23.58, and 31.01 Tax Code; §60.022 Agriculture Code; §21.0421 Property Code
Status: Pending in House Ways and Means Committee

This bill would end rollback taxes on agricultural land. An appraisal district would still be responsible for determining when a change of use had occurred and would deliver notice to the property owner as soon as possible after making that determination.

A tax bill for agricultural land would have to state the market value of the land.

H.B. 2008

Author: Pacheco

Amends/Enacts: §§11.26, 23.19, and 26.012 Tax Code; §42.302 Education Code

Status: Pending in House Ways and Means Committee

H.J.R. 77

Author: Pacheco

Amends/Enacts: Art. VIII, §1-b Tax Code

Status: Pending in House Ways and Means Committee

The school tax freeze that currently applies to homesteads of people who are disabled or over 65 would be expanded to include all taxing units. This proposed constitutional amendment and related bill are virtually identical to H.B. 322 and H.J.R. 26 and to H.B. 1032 and H.J.R. 53 discussed above.

H.B. 2395

Author: Lozano

Amends/Enacts: §§11.26, 11.261, and 23.23 Tax Code

Status: Pending in House Ways and Means Committee

If a homestead property subject to a tax freeze is seriously damaged and then replaced, the freeze is lost if the new structure has a higher quality exterior than the original structure. This bill would eliminate that rule. The freeze could continue even if the replacement structure had a nicer exterior than the original. This bill is also discussed under the heading *Appraisal*.

H.B. 2431

Author: Springer

Amends/Enacts: §§26.01, 26.04, 26.042, 26.05, and 31.01 Tax Code; §502.401

Transportation Code

Status: Pending in House Ways and Means Committee

A county could impose an additional fee of up to \$15 for registering a vehicle. A county that took that step would have to include the additional revenue in the calculation of its effective and rollback tax rates in the first year. That would have the effect of reducing those rates.

H.B. 2455

Author: Goldman

Amends/Enacts: §11.261 Tax Code

Status: Pending in House Ways and Means Committee

Under current law, a county, a city or a junior college district may apply a tax freeze for homesteads of people who are over 65 or disabled. This bill would extend that authority to regional water districts and hospital districts.

H.B. 2480

Author: Rosenthal

Amends/Enacts: §§11.262, 23.19, and 26.012 Tax Code; §44.004 Education Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 90

Author Rosenthal

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

A taxing unit could grant tax freezes for low-income homeowners in a homestead preservation district. In order to qualify, a homeowner would have to have a household income no greater than 60% of the area median family income, adjusted for household size, for the metropolitan statistical area in which the residence homestead was located, as determined by HUD. The taxes on the property could not go up from year to year.

H.B. 3358

Author: Sanford

Amends/Enacts: §§1.04, 11.201, 23.20, 23.46, 23.47, 23.52, 23.55, 23.551, 23.58, 23.73, 23.76, 23.86, 31.01, and 41.44 Tax Code; §60.022 Agriculture Code; §21.0421 Property Code

Status: Pending in House Ways and Means Committee

H.J.R. 107

Author: Sanford

Amends/Enacts: Art. VIII, §1-d Texas Constitution

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would end rollback taxes on: agricultural land; timberland; and recreational, park, and scenic land.

H.B. 3406

Author: Rodriguez

Amends/Enacts: §26.05 Tax Code; §255.003 Election Code

Status: Pending in House Elections Committee

This bill would slightly change the language that a member of a taxing unit's governing body would use in a motion to adopt a rate that exceeded the rollback rate. The member would have to specify the dollar amount of the increased taxes and the effect on a median-value homestead. He would not have to state the percentage by which the proposed rate exceeded the effective rate.

H.B. 3722

Author: Swanson

Amends/Enacts: §26.08 Tax Code; §3.005 Election Code

Status: Pending in House Public Education Committee

A school district's tax-rate ratification election would have to be held on the first uniform election date that allowed sufficient time to comply with other requirements of law. The bill would repeal a provision in the Election Code that currently requires a school board to order an election at least thirty days before the election date.

H.B. 3822 ★

Author: Darby

Amends/Enacts: §26.11 Tax Code

Status: Passed by House Ways and Means Committee; pending in full House

As a general rule, if property is acquired by a governmental entity during the course of a year, the taxes are prorated and reduced in proportion to the time that the property is exempt. Under this bill, the same thing would happen if the governmental entity took possession of the property under a possession and use agreement or under Section 21.021 of the Property Code. That provision allows a condemning authority to take possession of property even before condemnation litigation has been concluded.

H.B. 3829

Author: Stephenson

Amends/Enacts: §11.26 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 120

Author: Stephenson

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill address what happens to a tax freeze when a school district adopts, repeals or changes a local-option percentage homestead exemption. The amount of the freeze would be adjusted to account for the change in the exemption. The adjustment, however, would apply only where the percentage exemption was first adopted in 2020 or later.

H.B. 4043

Author: Dominguez

Amends/Enacts: §§26.07 and 26.08 Tax Code; §49.236 Water Code

Status: Pending in House Ways and Means Committee

A taxing unit could adopt a tax rate that exceeded the rollback rate without having to hold an election if the unit were in the area of a disaster declared in 2017 (Hurricane Harvey) or later. This exemption from election requirements would apply in the year of the disaster and the ten following years.

S.B. 328

Author: Seliger

Amends/Enacts: §31.01 Tax Code

Status: Pending in Senate Property Tax Committee

This bill would require a school district's tax bills to include information about how the Robin Hood system affects the district. It is virtually identical to H.B. 569 and H.B. 821.

S.B. 463

Author: Campbell

Amends/Enacts: §§44.004, 44.005, and 44.0051 Education Code

Status: Pending in Senate Education Committee

A school district's adopted budget would have to include a cover page stating (in large type) whether the budget would raise more or less property-tax revenue than the preceding year's budget. The cover page would also have to include extensive tax-rate information for the current year and the preceding year and other financial information. It would have to include the votes of each trustee on the budget and on the district's tax rate. The budget, including the cover page would have to be posted on the district's website for at least three years.

S.B. 484

Author: Menendez

Amends/Enacts: §11.262, 23.19, and 26.012 Tax Code; §44.004 Education Code; §403.302 Government Code

Status: Pending in Senate Property Tax Committee

S.J.R. 33

Author: Menendez

Amends/Enacts: Art. VIII, §1-b-1 Texas Constitution

Status: Pending in Senate Property Tax Committee

Under this proposed constitutional amendment and related bill, the school taxes on a homestead would be frozen if they had increased by 120% or more over a fifteen-year period. These proposals are virtually identical to H.B. 1102 and H.J.R. 56 discussed above.

S.B. 555 ★★

Author: Schwertner

Amends/Enacts: §23.46 Tax Code

Status: Passed by Senate; pending in House Land and Resource Management Committee

If 1-d agricultural land became subject to rollback taxes because it was condemned, this bill would make it clear that the condemning entity and not the former owner would be responsible for those taxes. A portion of a parcel of land would not legally undergo a change of use because it was subject to a right-of-way less than 200 feet wide that was taken by condemnation if the remainder of the parcel qualified for agricultural appraisal.

S.B. 600

Author: Buckingham

Amends/Enacts: §§11.4391, 22.23, 25.19, 25.22, 26.01, 26.04, 26.05, 26.06, 26.07, 26.08, 26.16, 31.12, 33.08 and 41.12 Tax Code; §130.016 Education Code; §281.124 Health and Safety Code; §140.010 Local Government Code; §§1063.255, 1101.254, 1122.2522, 3828.157, and 8876.152 Special District Local Laws; §§49.107, 49.108, 49.236, and 49.2361 Water Code

Status: Pending in Senate Property Tax Committee

A taxing unit's TAC would submit the appraisal roll and an anticipated collection rate to the unit's governing body by July 15. The person calculating the effective and rollback tax rates would have to do that by July 22 and publish notice of those rates by July 27. If the unit's governing body held public tax-rate hearings, it would have to vote on the tax rate within seven days after the second

hearing. If the governing body wanted to adopt a tax rate higher than the rollback tax rate, it would have to do so before August 15.

Any taxing unit would automatically have to hold a ratification election any time its governing body adopted a rate higher than the rollback tax rate. The election would have to occur on the November uniform election date.

This bill is also discussed under the headings, *Exemptions, Appraisals, and Appraisal Districts and ARBs*.

S.B. 894 ★

Author: Creighton

Amends/Enacts: §§23.46, 23.47, 23.55, 23.58, 23.76, and 23.9807 Tax Code

Status: Passed by Senate Property Tax Committee; pending in full Senate

This bill would shorten the ag rollback period to three years. It is virtually identical to H.B. 614 discussed above.

S.B. 1227

Author: Bettencourt

Amends/Enacts: §§11.4391, 22.23, 25.19, 25.22, 26.01, 26.04, 26.05, 26.06, 26.08, and 41.12 Tax Code

Status: Pending in Senate Property Tax Committee

A taxing unit's TAC would submit the appraisal roll and an anticipated collection rate to the governing body by July 15. Rates would be submitted by July 22. July 27 would be the target date for publishing the notice of effective and rollback tax rates. If the governing body were going to adopt a rate that exceeded the rollback rate, it would have to do so by August 15. If the governing body had to hold public hearings on the proposed tax rate, it would have to vote to adopt that rate no later than the seventh day after the second hearing.

If a school district needed to hold a tax-rate ratification election, the board would have to order the election by August 15, and the election would be held on the November uniform election date. An emergency election could be held on another uniform election date.

This bill is also discussed under the headings, *Exemptions, Appraisals, and Appraisal Districts and ARBs*.

S.B. 1395

Author: Seliger

Amends/Enacts: §§26.07, 26.08, 26.16, 31.12, and 33.08 Tax Code; §130.016 Education Code; §281.124 Health and Safety Code; §140.010 Local Government Code; §§1063.255, 1122.2522, 3828.157, and 8876.152 Special District Local Laws Code; §§49.107, 49.108, 49.236 Water Code

Status: Pending in Senate Property Tax Committee

The rules for rollback elections would remain unchanged for school districts. Any other taxing unit would have to hold an election any time its governing body adopted a tax rate that exceeded the unit's rollback rate. If the voters did not affirmatively approve the rate adopted by governing body, that rate would be thrown out, and the unit could not adopt a rate that exceeded its rollback rate.

S.B. 1430

Author: Hancock

Amends/Enacts: §§26.010, 26.04, 26.041, 26.043, 26.045, 26.05, 26.06, 26.07, 26.08, and 26.16 Tax Code; §§42.2522, 44.004, and 45.261, Education Code; §281.107 and 281.124 Health and Safety Code; §§102.007, 111.008, 111.039, 111.068, and 141.010 Local Government Code; §§1063.255 and 1122.2522 Special District and Local Laws Code; §§49.236 and 49.2361 Water Code

Status: Pending in Senate Property Tax Committee

This bill would change the name of the rollback ax rate to the “voter approval Tax rate.”

S.B. 1613 ★

Author: Hall

Amends/Enacts: §§2.101, 2.102 Election Code

Status: Passed by Senate Property Tax Committee; pending in full Senate

An election on a tax increase or an election to authorize the issuance of bonds would have no effect if no more than 15% of the registered voters turned out. This rule would not apply to elections held on uniform election dates in November of even-numbered years.

S.B. 1752

Author: Rodriguez

Amends/Enacts: §26.0443

Status: Pending in Senate Health and Human Services Committee

If and when Texas expands Medicaid eligibility by accepting federal funds, a hospital would pass the benefit along to taxpayers by having its effective and rollback rates reduced.

S.B. 1962

Author: Zaffifini

Amends/Enacts: §23.55 Tax Code

Status: Pending in Senate Property Tax Committee

This bill would end rollback taxes on open-space agricultural land in counties with fewer than 25,000 people.

S.B. 2101 ★★★

Author: Birdwell

Amends/Enacts: §11.26 Tax Code

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

S.J.R. 67 ★★★

Author: Birdwell

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Passed by Senate; passed by House Ways and Means Committee; pending in full House

The freeze that applies to school taxes on the homestead of a disabled person could be inherited by the person’s surviving spouse. But the bill would apply only where the disabled homeowner died after January 1, 2013.

S.B. 2337**Author: Bettencourt****Amends/Enacts: §26.03 Tax Code****Status: Pending in Senate Property Tax Committee**

This bill Section repeals 26.03 of the Tax Code, which deals with the treatment of captured appraised value and tax increments, in determining the taxable value of property in reinvestment zones and the tax rates imposed upon it.

Collection

H.B. 240**Author: Bernal****Amends/Enacts: §31.031 Tax Code****Status: Pending in House Ways and Means Committee**

The four-installment payment option that is available for some homeowners paying taxes on their homesteads would be expanded and would be available to all homeowners.

H.B. 715 ★**Author: Ortega****Amends/Enacts: §214.004 Local Government Code****Status: Passed by House Urban Affairs Committee; pending in full House**

The Local Government Code provides some options for certain cities dealing with dilapidated or vacant structures. The law allows a city to foreclose a lien on a property to recover the expenses of dealing with the property. Liens for delinquent property taxes can be foreclosed in the same way. This bill would delete the reference to property tax liens. Those liens could no longer be foreclosed using the Local Government Code's procedures.

H.B. 1148**Author: Murphy****Amends/Enacts: §§33.06 and 33.065 Tax Code****Status: Pending in House Ways and Means Committee**

The interest rate on deferred or abated homestead taxes would drop from 5% to the five-year Constant Maturity Treasury Rate reported by the Federal Reserve as of January 1 of the year in which the deferral or abatement was obtained. That would be about 2.5% for 2019. For a deferral that began in 2013, it would be 0.81 percent.

H.B. 2124**Author: Bailes****Amends/Enacts: §21.25 Tax Code****Status: Pending in House Ways and Means Committee**

If omitted property were added to a taxing unit's rolls, the governing body could choose not to collect all or part of the taxes, penalties and interest on that property. The governing body could

also choose to authorize the TAC to enter a payout arrangement with the property owner. This bill is also discussed under the heading, *Appraisals*.

H.B. 3243 ★★

Author: Murphy

Amends/Enacts: §§1.071, 11.431, 11.439, 26.112, 26.1125, and 26.1127 Tax Code

Status: Passed by House; pending in Senate Property Tax Committee

A tax refund resulting from a homestead exemptions or a disabled veterans' exemption would have to be paid to the individual who was the owner of the property on the date the tax was paid. Any refund would be sent to the person's mailing address as listed on the appraisal roll unless the person filed a written request with the TAC asking that the refund be sent to a particular address.

H.B. 3764

Author: Dutton

Amends/Enacts: §§34.21 and 33.06 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 116

Author: Dutton

Amends/Enacts: Art. VIII, §13 Texas Constitution

Status: Pending in House Ways and Means Committee

If a person over 65 lost his homestead in a tax sale, he would have four years to redeem the property. If the property were redeemed more than one year after the sale, the redemption penalty would be 50% of the redemption price.

H.B. 3917

Author: Wray

Amends/Enacts: §§31.06, 33.56, and 34.01 Tax Code

Status: Pending in House Ways and Means Committee

A TAC could adopt a policy of requiring payment by cash, a cashier's check or a certified check if the payment concerned seized real or personal property or property subject to a court's order of sale.

If a judgment in a delinquent-tax case has been entered, but no tax sale has occurred, taxing unit petitioning for the vacation of the judgement would serve its petition on every party to the judgment. If no party filed an objection within thirty days, the court could vacate the judgment. If a tax sale had occurred, vacation of the judgment would require a hearing unless the buyer consented to the vacation. The buyer could consent: in an answer filed with the court; by joining the petition for vacation; or by signing an agreed order. If the buyer did not consent, she would have to be served with the petition for vacation. If the court vacated its judgment, its order would have to provide for the refund of the buyer's money within sixty days. A sale of real or personal property seized under a tax warrant would require a court's judgment. Personal property, including a manufactured home, subject to a tax sale could be sold at the same place and time as real property or at the location of the personal property.

H.B. 4295

Author: Julie Johnson

Amends/Enacts: §51.0011 Property Code

Status: Pending in House Ways and Means Committee

A homeowner would not be in default under a mortgage or other lien contract involving his homestead if he legally deferred or abated the collection of taxes on the property.

H.B. 4328

Author: Clardy

Amends/Enacts: §32.06 Tax Code; §§351.0021 and 351.0024 Finance Code

Status: Pending in House Ways and Means Committee

This bill concerning transfers of tax liens appears to have been hastily drafted, and it is difficult to decipher. It would apparently allow the transfer of a tax lien for taxes that were due but not delinquent even if there were a recorded mortgage on the property, but only if the mortgagee paid the taxes before delinquency. A lender would not have to record the property owner's sworn document but would still have to record the tax office's certified statement. Current law allows the holder of a mortgage that is in default to pay off a property-tax loan and have the tax lien released. This bill would specify that the mortgagee would pay the "unpaid principal, fees, and interest owed under the contract between the property owner and the transferee that are directly attributable to the property taxes paid by the transferee or the transferee's predecessor in interest." A property-tax lender who paid off an earlier property-tax lender could become subrogated to the earlier lender's lien, but only if the first earlier lender agreed.

H.J.R. 111

Author: Wilson

Amends/Enacts: Art. VIII, §§13 and 15 and Art. XVI, §50 Texas Constitution

Status: Pending in House Ways and Means Committee

A residence homestead could never be seized or sold to collect delinquent taxes.

S.B. 434

Author: Hinojosa

Amends/Enacts: §11.43 Tax Code

Status: Pending in Senate Property Tax Committee

S.J.R. 31

Author: Hinojosa

Amends/Enacts: Art. VIII, §15 Texas Constitution

Status: Pending in Senate Property Tax Committee

If an appraisal district retroactively canceled an exemption after the property had been sold to a new owner in an arm's length transaction, the taxing units could not enforce their tax liens against the property. If the seller and the purchaser were closely related, the tax lien would survive the transfer.

S.B. 738

Author: Hughes

Amends/Enacts: §§33.06 and 33.065 Tax Code

Status: Pending in Senate Property Tax Committee

The interest rate on deferred or abated homestead taxes would drop from 5% to the five-year Constant Maturity Treasury Rate reported by the Federal Reserve as of January 1 of the year in which the deferral or abatement was obtained. This bill is virtually identical to H.B. 1148 discussed above.

H.B. 2770 ★

Author: Martinez Fischer

Amends/Enacts: §3.031 Tax Code

Status: Passed by House Ways and Means Committee; pending in full House

This bill would do away with the right of people over 65 to pay their homestead taxes in four installments. It would create a new installment payment program for homeowners receiving disability homestead exemptions and/or disabled veterans' exemptions. Such a person could pay the taxes on the exempt property in ten installments. The first payment would be made before February 1, and the other payments would be made before the first days of the next nine months.

S.B. 1007 ★★

Author: Bettencourt

Amends/Enacts: §31.072 Tax Code

Status: Passed by Senate; pending in House Ways and Means Committee

Current law includes a little-used provision allowing a property owner and a tax office to enter into an agreement that requires the property owner to make monthly deposits into an escrow account for the eventual payment of his taxes. This bill would require the tax office to enter an escrow agreement at the request of a property owner. The owner could but would not have to deposit money into the escrow account any time he chose. The escrow agreement would include an estimate of the taxes to be assessed and the amount that the property owner would pay each month if he opted to make monthly payments.

S.B. 1280 ★★

Author: West

Amends/Enacts: §33.065 Tax Code

Status: Passed by Senate; pending in House Ways and Means Committee

The Tax Code includes a little-used provision that allows a person to defer paying part of the taxes on his homestead if the appraised value of the homestead increases by more than 5% from one year to the next. This bill would reduce the interest rate that applies to the deferred taxes from 8% to 5%. It would also eliminate the use of the word *delinquent* in reference to deferred taxes.

S.B. 1285

Author: Bettencourt

Amends/Enacts: §34.01 Tax Code

Status: Pending in Senate Property Tax Committee

The recoverable costs of a tax sale would include the commission and fees paid to a licensed auctioneer. This bill is virtually identical to H.B. 2650.

S.B. 1652

Author: Bettencourt

Amends/Enacts: §34.05 Tax Code

Status: Pending in Senate Education Committee

A taxing unit reselling a property acquired in a tax sale could conduct an online auction. This bill is virtually identical to H.B. 1652 discussed above.

S.B. 1703

Author: Lucio

Amends/Enacts: §33.011 Tax Code

Status: Pending in Senate Property Tax Committee

A taxing unit could waive penalties and interest on delinquent taxes owed by a federal-government employee who was furloughed or working without pay during a government shutdown.

S.B. 2323

Author: Creighton

Amends/Enacts: §31.033 Tax Code

Status: Pending in Senate Property Tax Committee

This bill would allow installment payments of taxes on most properties owned by veterans and active-duty service members. A qualified owner could pay taxes in eight installments. The first installment would have to be paid before March 1 and the others would have to be paid before May 1, August 1, November 1, the next February 1, May 1, August 1 and November 1. That means that the payment schedule for one year would overlap the payment schedule for another year.

S.B. 2327

Author; Creighton

Amends/Enacts: § 31.032 Tax Code

Status: Pending in Senate Property Tax Committee

This bill would permit installment payment of taxes on property damaged by disaster.

S.B. 2427

Author: Bettencourt

Amends/Enacts: §§31.06, 33.56, and 34.01 Tax Code

Status: Pending in Senate Property Tax Committee

This bill concerning payments and vacation of delinquent-tax judgments is virtually identical to H.B. 3917 discussed above.

School Finance and Value Studies

H.B. 89

Author: Mary Gonzales

Amends/Enacts: §§29.097, 29.098, 29.918, 39.0233, 39.233, 39.234, 41.002, 41.093, 41.097, 41.098, 41.099, 42.010, 42.011, 42.101, 42.152, 42.153, 42.157, 42.160, 42.251, 42.253, 42.302, 42.4101, 43.001, and 45.259 Education Code

Status: Pending in House Public Education Committee

The basic allotment for a school district that had a \$1.50 m&o rate in 2005 would be raised from \$4,765 to \$5,440 per student in average daily attendance for the 2019-2020 school year and to \$5,840 for the 2020-2021 school year. After that, the allotment would increase each year by the lesser of one percent or the inflation rate based on the Consumer Price Index for all urban consumers. The wealth limit that applies to a district's compressed tax rate would adjust to reflect changes in the basic allotment. The wealth limit that applies to the next six cents of a district's tax effort would be based on the *greater* of the Austin ISD or a district at the 95th percentile of wealth per student. The wealth limit for further tax effort would no longer be \$319,500; it would be same as the limit for the compressed tax rate.

Under current law, Tier-1 funding comes from property taxes, appropriated state funds and "state available school funds." This bill would take those available funds out of the equation.

The bill also makes some adjustments to some special allotments. The TEA would conduct a comprehensive review of all weights, allotments and adjustments in the school finance system, including weights, allotments and adjustments that are not currently in place but which might be appropriate. The TEA's report would be due in advance of the 2021 legislative session. After each legislative session, the TEA would study the effects of any new amendments on all school districts.

A district's guaranteed yield under Tier 2 would be based on the greater of the Austin ISD or a district at the 95th percentile of wealth per student.

H.B. 297 ★★**Author: Murr****Amends/Enacts: §§26.035 Tax Code****Status: Passed by House; pending in Senate Finance Committee**

This bill would end school m&o taxes beginning in 2022. Every district would be entitled to funding from the state under Chapters 42 and 46 of the Education Code as though the district had an m&o rate equal to the maximum compressed rate. Enrichment taxes would still be allowed with a maximum rate of 17¢. A "joint interim committee on the elimination of school district maintenance and operations ad valorem taxes" would study the anticipated effects of increasing and expanding sales taxes as a way of funding schools.

H.B. 443**Author: Meyer****Amends/Enacts: §41.0932 Education Code****Status: Pending in House Public Education Committee**

A wealthy Chapter 41 school district would be entitled to retain is entitled to retain maintenance and operations tax revenue sufficient to pay the district's average maintenance and operations costs per student in average daily attendance, adjusted for inflation. That average would be based on the three preceding school years.

H.B. 462**Author: Geren****Amends/Enacts: §42.25191 Education Code****Status: Pending in House Public Education Committee**

H.J.R. 24

Author: Geren

Amends/Enacts: Art. III, §49a and Art. VIII, §1, Texas Constitution

Status: Pending in House Public Education Committee

This proposed constitutional amendment and related bill would require the state to provide at least half of the money for public schools, not counting money that the state receives and redistributes under the Robin Hood system.

H.B. 664

Author: Ken King

Amends/Enacts: §41.0932 Education Code

Status: Pending in House Public Education Committee

A wealthy school district would never have to have to pay more than sixty-percent of its m&o tax revenues into the Robin Hood system.

H.B. 665

Author: Ken King

Amends/Enacts: §§41.004 and 42.252 Education Code

Status: Pending in House Public Education Committee

The TEA would determine the wealth per student of a school district using the *estimate* of the district's taxable value. A district's share of the Foundation School Program would be determined using the district's taxable value for the *current* year instead of the preceding year.

H.B. 708

Author: Landgraf

Amends/Enacts: §41.094 Education Code

Status: Pending in House Public Education Committee

A wealthy school district purchasing attendance credits from the state could pay in one lump sum instead of making monthly payments. A district choosing the lump-sum option would have to notify the TEA by February 15 and make its payment by August 15.

H.B. 711

Author: Landgraf

Amends/Enacts: §§41.002, 42.012, 42.25271, 42.25272, 42.25273, 42.302, 46.003, and 46.032 Education Code

Status: Pending in House Public Education Committee

Every year, the TEA would determine the share of the FSP's costs funded by attendance credits. A school district's funding would be reduced proportionally unless the district assessed m&o taxes at the greatest allowable rate. The TEA would adjust a school district's value as necessary to ensure that the district did not exceed the equalized wealth level if the district had a campus that received federal funding under a concentration grant. The bill also includes protections for districts that have collection problems caused by a high prevalence of minerals. The TEA would adjust the taxable value in such a school district to ensure that the district did not exceed the equalized wealth level. The districts benefitting from such adjustments would be identified by a select legislative committee consisting of House and Senate members.

H.B. 712

Author: Landgraf

Amends/Enacts: §§21.01, 21.02, 25.25, 26.08, and 312.210 Tax Code; Chapter 41 and §§7.055, 8.056, 12.013, 12.029, 13.054, 21.410, 21.411, 21.412, 21.413, 25.081, 29.087, 29.203, 37.0061, 42.009, 42.158, 42.160, 42.2511, 42.2518, 42.2521, 42.2523, 42.2524, 42.253, 42.2531, 42.258, 42.260, 45.251, 45.261 Education Code; §403.302 Government Code; §1579.251 Insurance Code

Status: Pending in House Public Education Committee

This bill would repeal Chapter 41, the Robin Hood system in its entirety. It would not provide any substitute.

H.B. 968

Author: Mary Gonzales

Amends/Enacts: §§311.011 and 311.013 Tax Code; §§7.062 and 42.2522 Education Code; §403.302 Government Code

Status: Pending in House Public Education Committee

Local-option percentage homestead exemptions would no longer be considered in determining the wealth of a school district under the Robin Hood system.

H.B. 1034

Author: Bohac

Amends/Enacts: §§21.01, 21.02, 25.25, 26.08, and 312.210 Tax Code; Chapter 41 and §§7.055, 8.056, 12.013, 12.029, 13.054, 21.410, 21.411, 21.412, 21.413, 25.081, 29.087, 29.203, 37.0061, 42.009, 42.158, 42.160, 42.2511, 42.2518, 42.2521, 42.2523, 42.2524, 42.253, 42.2531, 42.258, 42.260, 45.251, 45.261 Education Code; §403.302 Government Code; §1579.251 Insurance Code

Status: Pending in House Public Education Committee

This bill would repeal Chapter 41, the Robin Hood system in its entirety. It would not provide any substitute. It is virtually identical to H.B. 712 discussed above.

H.B. 1077

Author: White

Amends/Enacts: §§151.051 and 151.803 Tax Code; §§41.002, 42.101, 42.302, and 45.003 Education Code

Status: Pending in House Ways and Means Committee

Generally, this bill would raise the state's sales-tax rate by 1% with the additional money going to the foundation school fund. The state would use the money to buy down school districts' compressed m&o tax rates. The basic allotment of \$4,765 would go up to \$5,140. Begging in the 2020-2021 school year, the basic allotment would be the adjusted in light of the additional sales-tax revenues and the buy-down of tax rates.

H.B. 1796

Author: Raymond

Amends/Enacts: §42.101 Tax Code

Status: Pending in House Public Education Committee

The basic allotment (now, \$4,765) would be adjusted each year to account for inflation. The comptroller would determine the inflation rate based on the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics.

H.B. 2537

Author: Oliverson

Amends/Enacts: §403.109 Government Code

Status: Pending in House Appropriations Committee

The comptroller would deposit into the Property Tax Relief Fund general revenue in an amount equal to 90 percent of the amount by which the amount of general revenue received in a state fiscal biennium exceeded 104 percent of the total amount of general revenue that was received during the preceding state fiscal biennium. The amount deposited could be used only school tax reduction.

H.B. 2915

Author: Springer

Amends/Enacts: §§11.13, 11.35, 23.1241, 23.1242, 151.0023, 151.0028, 151.0029, 151.00295, 151.00352, 151.00365, 151.00375, 151.00378, 151.0038, 151.00391, 151.00425, 151.0044, 151.00442, 151.0047, 151.006, 151.0101, 151.0108, 151.013, 151.1551, 151.313, 151.314, 151.315, 151.317, 151.3186, 151.319, 151.320, 151.335, 151.350, 151.401, 151.424, 151.425, 151.428, 152.047, 162.014, 164.0001, 164.0002, 164.0003, 164.0004, 164.0005, 165.0001, 165.0002, 165.0003, 165.0004, 165.0005, 165.0006, 165.0007, 171.1012, 183.043, 313.021, 321.203, §42.2516 Education Code; §403.302 Government Code; §2301.008 Occupations Code; 501.0301, 502.257, and 502.258 Transportation Code

Status: Pending in House Ways and Means Committee

A school district's compression percentage after 2010 would depend on its 2020 m&o tax rate. If the 2020 rate were \$1 or more, the compression percentage would be 60%. If the rate were between 90¢ and \$1, the TEA would determine a percentage that would compress the district's m&o rate to 90¢. If the rate were 90¢ or less, the compression percentage would be 66.67%. Alternatively, the legislature could establish a different compression percentage for a school year by appropriation. This bill is also discussed under the headings, *Exemptions*, *Appraisals*, and *Miscellaneous*.

H.B. 3098

Author: Toth

Amends/Enacts: Statutes too numerous to list

Status: Pending in House Ways and Means Committee

This bill would end value studies. Every school district would get local values every year. This bill is also discussed under the headings, *Exemptions*, *Appraisals*, and *Appraisal Districts and ARBs*.

H.B. 3239

Author: Middleton

Amends/Enacts: §§403.3011 and 403.302 Government Code

Status: Filed

When determining whether a school district's local values were valid, the comptroller could use a margin of error of up to 10% instead of the 5% allowed by current law. Under present law, a school district may have its local values applied even if it fails the value study if it has a two-year

history of valid local values and if in the most recent study, the aggregate local value is at least 90% percent of the lower limit of the margin of error. This bill would substitute 80% for 90%.

H.B. 3241

Author: Middleton

Amends/Enacts: §§5.10, 23.01, 23.013, and 25.18 Tax Code; §403.302 Government Code

Status: Filed

The comptroller would do value studies only every two years. In an off year, a school district would get local value if had gotten local value the year before. If its valid had not been valid in that preceding year, the comptroller's value from that preceding year would be carried forward and used in the off year. This bill is also discussed under the heading, *Appraisals*.

H.B. 3423

Author: Allison

Amends/Enacts: §§31.08

Status: Pending in House Ways and Means Committee

H.J.R. 109

Author: Allison

Amends/Enacts: Art. VIII, §1-y Texas Constitution

Status: Status: Pending in House Ways and Means Committee

A business with its principal office in a school district would receive property tax credits for money that it donated to the district to support career and technical education programs. A contribution of up to \$100,000 would result in tax credits equal to half of the donation. Larger donations would result in proportionally larger credits. The business would apply to the appraisal district for the credits, and the district would forward the application to the comptroller, who would decide whether the donation qualified for the tax credits.

H.B. 3427

Author: Sanford

Amends/Enacts: §§151.051 and 151.803 Tax Code

Status: Pending in House Ways and Means Committee

This bill would raise the state sales-tax rate from 6.25% to 6.5%. The extra revenue would go to the property tax relief fund.

H.B. 3626

Author: Schaefer

Amends/Enacts: §§403.1023 and 403.109 Government Code

Status: Pending in House Appropriations Committee

Certain funds that the comptroller did not have to be deposited into the economic stabilization fund would instead go into the property tax relief fund to reduce school tax rates.

H.B. 3733

Author: Shaheen

Amends/Enacts: §403.109 Government Code

Status: Pending in House Appropriations Committee

The comptroller would deposit into the Property Tax Relief Fund general revenue in an amount equal to 90 percent of the amount by which the amount of general revenue received in a state fiscal biennium exceeded 104 percent of the total amount of general revenue that was received during the preceding state fiscal biennium. This bill is virtually identical to H.B. 2537 discussed above.

H.B. 3793

Author: Stephenson

Amends/Enacts: §§11.13, 11.26, 26.09, 151.0023, 151.0028, 151.00372, 151.0041, 151.0046, 151.0101, 151.3021, 151.3071, 151.3101, 151.311, 151.801, and 151.802 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 118

Author: Stephenson

Amends/Enacts: Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee

Under this proposed constitutional amendment and related bill, homesteads would be completely exempt from school m&o taxes. The state would raise additional money for schools by expanding the sales tax to include many types of services. This bill is also discussed under the heading, *Exemptions*.

H.B. 3915

Author: Calanni

Amends/Enacts: §26.08 Tax Code; §§42.302, 46.003, and 46.032 Education Code

Status: Pending in House Public Education Committee

The figure \$31.95 in the guaranteed-yield calculation would be replaced by the amount of district tax revenue per weighted student per cent of tax effort available to a district with m&o tax revenue per cent of tax effort equal to the maximum amount provided per cent under Section 42.101(a) or (b). A similar change would be made in the calculation of the facilities allotment.

H.B. 4363

Author: Cain

Amends/Enacts: §§151.051 and 151.803 Tax Code

Status: Pending in House Ways and Means Committee

This bill would raise the state sales-tax rate from 6.25% to 10.25%. The extra revenue would go to the property tax relief fund.

H.B. 4603

Author: Kruse

Amends/Enacts: §403.109 Government Code

Status: Pending in House Appropriations Committee

H.J.R. 144

Author: Krause

Amends/Enacts: Art. III, §§49-g and 49-g-5 Texas Constitution

Status: Pending in House Appropriations Committee

Following the end of each biennium, one-half of the unencumbered positive balance of general revenues on the last day of the biennium would be transferred to the TEA. Of that amount, 75% would go toward reducing school tax rates and 25% would go toward compensating public-school teachers, counselors, and librarians.

H.J.R. 43

Author: Howard

Amends/Enacts: Art. VII, §3A Texas Constitution

Status: Filed

The basic allotment under the Foundation School Program would change from year to year at the same rate as the total taxable value of property in the state. If the total taxable value increased by, say, 10% from one year to the next, the basic allotment would also increase by 10%. The basic allotment, however, could not be less than the amount of the basic allotment established by the legislature by statute.

H.J.R. 119

Author: Craddick

Amends/Enacts: Art. VII, §§1 and 3 Texas Constitution

Status: Pending in House Public Education Committee

Any type of school-finance plan adopted by the legislature would be presumed to meet constitutional requirements if it “rationally furthered a legitimate State purpose or interest such as efficiency or local control.”

S.B. 136

Author: Rodriguez

Amends/Enacts: §§29.097, 29.098, 29.918, 39.0233, 39.233, 39.234, 41.002, 41.093, 41.097, 41.098, 41.099, 42.010, 42.011, 42.101, 42.152, 42.153, 42.157, 42.160, 42.251, 42.253, 42.302, 42.4101, 43.001, and 45.259 Education Code

Status: Pending in Senate Education Committee

This bill concerning allotments and wealth limits is virtually identical to H.B. 89 discussed above.

S.B. 343

Author: Watson

Amends/Enacts: §31.01 Tax Code

Status: Pending in Senate Property Tax Committee

If a wealthy school district purchased attendance credits, a tax bill from the district would have to specify how much of the taxes on the property would go for m&o, for debt payments and for purchasing attendance credits. In a district that received state aid under Chapter 42, a tax bill would have to specify how much of the taxes on the property were effectively paid by the state aid.

S.B. 660

Author: Kolkhorst

Amends/Enacts: §41.0025 Education Code

Status: Pending in Senate Education Committee

This bill concerns the values of property in certain school districts affected by disasters. It would not affect school districts that already qualify to have their values adjusted under other laws. At the request of a school district, the TEA would use the lesser of the taxable value for: 1) the tax year immediately following the disaster; or 2) the tax year in which the disaster occurred, adjusted by the average reduction of property values in the district immediately following the disaster. The average reduction would be based on information from the appraisal district.

S.B. 689

Author: Paxton

Amends/Enacts: §§21.01, 21.02, 25.25, 26.08, and 312.210 Tax Code; Chapter 41 and §§7.055, 8.056, 12.013, 12.029, 13.054, 21.410, 21.411, 21.412, 21.413, 25.081, 29.087, 29.203, 37.0061, 42.009, 42.158, 42.160, 42.2511, 42.2518, 42.2521, 42.2523, 42.2524, 42.253, 42.2531, 42.258, 42.260, 45.251, 45.261 Education Code; §403.302 Government Code; §1579.251 Insurance Code

Status: Pending in Senate Education Committee

This bill would repeal Chapter 41, the Robin Hood system in its entirety. It would not provide any substitute. It is virtually identical to H.B. 712 and H.B. 1034 discussed above.

S.B. 852

Author: Johnson

Amends/Enacts: §42.25191 Education Code

Status: Pending in Senate Education Committee

S.J.R. 40

Author: Johnson

Amends/Enacts: Art. III, §49a and Art. VIII, §1, Texas Constitution

Status: Pending in Senate Education Committee

This proposed constitutional amendment and related bill would require the state to provide at least half of the money for public schools, not counting money that the state receives and redistributes under the Robin Hood system. They are virtually identical to H.B. 462 and H.J.R. 24 discussed above.

S.B. 1141

Author: Watson

Amends/Enacts: §42.25191 Education Code

Status: Pending in Senate Education Committee

S.J.R. 48

Author: Watson

Amends/Enacts: Art. III, §49a, Art. and Art. VII, §1, Texas Constitution

Status: Pending in Senate Education Committee

This is another proposed constitutional amendment and related bill that would require the state to provide at least half of the money for public schools, not counting money that the state receives and redistributes under the Robin Hood system. They are virtually identical to H.B. 462 and H.J.R. 24 and to S.B. 852 and S.J.R. 40 discussed above.

S.B. 1161

Author: Kolkhorst

Amends/Enacts: §403.302 Government Code
Status: Pending in Senate Property Tax Committee

The TEA would subtract from a school district's taxable value only one-half of the portion of the market value of property not taxable because of a value-limitation agreement under the Economic Development Act.

S.B. 2441
Author: Taylor
Amends/Enacts: §§151.051 and 151.803 Tax Code; 42.2516 Education Code
Status: Pending in Senate Finance Committee

This bill would raise the state sales-tax rate from 6.25% to some unspecified level. The extra revenue would go toward property tax relief.

S.J.R. 69
Author: Paxton
Amends/Enacts: Art. III, §§49-g and 49-g-5 Texas Constitution
Status: Pending in Senate Finance Committee

Following the end of each biennium, one-half of the unencumbered positive balance of general revenues on the last day of the biennium would be transferred to the TEA. Of that amount, 75% would go toward reducing school tax rates and 25% would go toward compensating public-school teachers, counselors, and librarians.

S.J.R. 76
Author: Taylor
Amends/Enacts: Art. VIII, §27
Status: Pending in Senate Finance Committee

This proposed constitutional amendment was literally filed with blanks left in it. It would apparently raise the state sales tax to some unspecified degree with the extra revenue going to reduce school taxes.

S.J.R. 77
Author: Taylor
Amends/Enacts: Art. III, §49-g Texas Constitution
Status: Pending in Senate Finance Committee

Under current law, if revenues from oil and gas production taxes exceed the revenues from the fiscal year ending August 31, 1987, 25% of the excess goes toward reducing school taxes. This proposed constitutional amendment would increase that share to 50%.

Miscellaneous

H.B. 54
Author: Zerwas
Amends/Enacts: §§1.085, 5.01, 5.041, 5.043, 5.05, 5.103, 5.104, 6.412, 41.46, 41.461, 41.47, 41.66, 41.67, 41.71, 41A.06, and 41A.09 Tax Code
Status: Pending in House Ways and Means Committee

The Comptroller would appoint a “property tax administration advisory board” to give him advice concerning his property-tax responsibilities. The board would consist of six or more members. It would include representatives of taxpayers, appraisal districts and school districts and somebody who knew something about ratio studies. The members would not have fixed terms; they would serve at the pleasure of the comptroller. This bill is also discussed under the headings: Appraisals and Appraisal Districts and ARBs. This bill is also discussed under the headings *Appraisal Districts and ARBs* and *Appraisal District Litigation and Arbitration*.

H.B. 185**Author: Bernal****Amends/Enacts:****Status: Pending in House Ways and Means Committee**

The comptroller would establish an advisory committee to study the possibility of requiring property owners to disclose sales prices of real property.

H.B. 490**Author: Shine****Amends/Enacts: §§5.01, 5.07, 5.091, 5.102, 25.19, 26.012, 26.04, 26.041, 26.043, 26.044, 26.0441, 26.05, 26.052, 26.06, 26.065, 26.08, 26.16, 26.17, and 26.18, Tax Code; §§45.105 and 130.016 Education Code; §403.302 Government Code; §§102.007, 111.039, and 140.010 Local Government Code****Status: Pending in House Ways and Means Committee**

The Comptroller would appoint a “property tax administration advisory board” to give him advice concerning his property-tax responsibilities. The board would consist of six or more members. It would include representatives of taxpayers, appraisal districts and school districts and somebody who knew something about ratio studies. The members would not have fixed terms; they would serve at the pleasure of the comptroller. The comptroller’s Property Value Study Advisory Committee would cease to exist. This bill is also discussed under the headings: Appraisals and Appraisal Districts and ARBs. This bill is also discussed under the heading *Assessment*.

H.B. 648**Author: Krause****Amends/Enacts: Chapter 328 Tax Code****Status: Pending in House Ways and Means Committee**

A city or county could give up its property tax and substitute a “supplemental” sales tax.

H.B. 705 ★**Author: Geren****Amends/Enacts: §§ 26.012, 26.04, 26.05, 25.0521, 26.09, 328.0001, 328.0002, 328.0003, 328.0103, 328.0051, 328.0052, 328.0053, 328.0101, 328.0102, 328.0103, 328.0104, 328.0105, and 328.0151 Tax Code****Status: Passed by House Ways and Means Committee; pending in full House**

A county or city could adopt an additional sales tax at a rate of up to 2% and use the revenue to replace its m&o property taxes. The additional sales tax could be adopted by a taxing unit’s governing body, or through an election held in response to petitions filed by voters. An election would be necessary if 20% of voters signed petitions.

H.B. 845

Author: Lozano

Amends/Enacts: §313.024 Tax Code

Status: Pending in House Ways and Means Committee

A water desalination project could qualify for a school-tax value limitation under the Economic Development Act.

H.B. 2129 ★★

Author: Murphy

Amends/Enacts: §313.007 Tax Code

Status: Passed by House; pending in Senate Natural Resources and Economic Development Committee

The life of the Economic Development Act would be extended by ten years, until the end of 2032.

H.B. 2359

Author: Sanford

Amends/Enacts: §312.204 and 313.024 Tax Code

Status: Pending in House Ways and Means Committee

A gambling establishment such as a casino or race track could not receive a tax abatement or a school district value limitation. This bill is also discussed under the heading *Exemptions*.

H.B. 2435 ★★

Author: Smith

Amends/Enacts: §25.021 Tax Code

Status: Passed by House; pending in Senate State Affairs Committee

A federal or state judge may request that her home address in tax records be kept confidential. The Tax Code currently incorporates by reference a definition of “federal or state judge” from the Government Code. This bill would delete that incorporated definition and the law would simply refer to a “federal or state judge.”

H.B. 2438

Author: Phelan

Amends/Enacts: §312.006 and 313.007 Tax Code

Status: Pending in House Ways and Means Committee

The life of the Economic Development Act would be extended by ten years, until the end of 2032. This bill is also discussed under the heading *Exemptions*.

H.B. 2494

Author: Jessica Gonzales

Amends/Enacts: §§311.003, 311.006, and 311.016 Tax Code

Status: Pending in House Urban Affairs Committee

This bill concerns reinvestment zones created for purposes of tax increment financing. A city contemplating such a zone would have to prepare an affordable housing impact statement at least sixty days before the city council held its public hearing. The statement would have to include

estimates of the impact on the proposed zone on affordable housing over the course of thirty years. The bill also includes provisions that would apply in Dallas only.

H.B. 2574

Author: Burrows

Amends/Enacts: §§1.085, 5.041, 5.043, 5.102, 5.103, 5.104, 6.412, 6.42, 41.46, 41.461, 41.47, 41.66, 41.67, 41.71, 41A.06, 41A.061, and 41A.09 Tax Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

The comptroller would appoint a “property tax administration advisory board” of at least six members to give him advice concerning his property-tax responsibilities. The board would have to include representatives of taxpayers, appraisal districts, and school districts and somebody with knowledge of ratio studies. The Comptroller's Property Value Study Advisory Committee would cease to exist.

This bill is also discussed under the headings, *Appraisal Districts and ARBs*, and *Appraisal District Litigation and Arbitration*.

H.B. 2799

Author: Sanford

Amends/Enacts: §§312.2035, 312.207, and 313.025 Tax Code; §§552.131 and 551.087 Government Code

Status: Pending in House Ways and Means Committee

Presently, the Economic Development Act includes a provision that allows a school district to waive new-jobs-creation requirements if the school board makes a finding that those requirements exceed the industry standard for the number of employees reasonably necessary for the operation of the facility. This bill would repeal that provision. This bill is also discussed under the heading, *Exemptions*.

H.B. 2915

Author: Springer

Amends/Enacts: §§11.13, 11.35, 23.1241, 23.1242, 151.0023, 151.0028, 151.0029, 151.00295, 151.00352, 151.00365, 151.00375, 151.00378, 151.0038, 151.00391, 151.00425, 151.0044, 151.00442, 151.0047, 151.006, 151.0101, 151.0108, 151.013, 151.1551, 151.313, 151.314, 151.315, 151.317, 151.3186, 151.319, 151.320, 151.335, 151.350, 151.401, 151.424, 151.425, 151.428, 152.047, 162.014, 164.0001, 164.0002, 164.0003, 164.0004, 164.0005, 165.0001, 165.0002, 165.0003, 165.0004, 165.0005, 165.0006, 165.0007, 171.1012, 183.043, 313.021, 321.203, §42.2516 Education Code; §403.302 Government Code; §2301.008

Occupations Code; 501.0301, 502.257, and 502.258 Transportation Code

Status: Pending in House Ways and Means Committee

H.J.R. 97

Author: Springer

Amends/Enacts: Art. VIII, §§1-b and 1-r Texas Constitution.

Status: Pending in House Ways and Means Committee

This bill would change the compression percentage for school districts and provide a generous new school-tax homestead exemption. It would raise additional revenue for the state and local governments principally by expanding the sales tax. Sales taxes would apply to services including: construction services; accounting; barbering; dating services; funerals; massages;

residential electricity; and veterinarian services. Sales taxes would apply to: ice cream; baked items and snacks, including Cool Ranch Doritos; gasoline and diesel fuel; and e-cigarettes. This bill is also discussed under the headings, *Exemptions*, *Appraisals*, and *School Finance and Value Studies*.

H.B. 2918

Author: Shine

Amends/Enacts: §140.011 Local Government Code

Status: Pending in House Appropriations Committee

The state provides assistance to cities and counties that are disproportionately affected by exemptions and other tax breaks for disabled veterans. Under this bill, junior college districts could receive the same kind of assistance.

H.B. 3168

Author: Flynn

Amends/Enacts: §§312.0021, and 313.024 Tax Code

Status: Pending in House Ways and Means Committee

In 2017, the legislature prohibited school district value-limitations under the Economic Development Act for properties with wind-powered energy devices located within twenty-five nautical miles of a military aviation facility. This bill would tweak that law slightly. The prohibition would apply to value limitations entered on or after September 1, 2017 if the military aviation facility involved fixed-wing aircraft. The prohibition would apply to value limitations entered after September 1, 2019 if the facility involved only helicopters. This bill is also discussed under the heading, *Exemptions*.

H.B. 3253

Author: Rodriguez

Amends/Enacts:

Status: Filed

Before the 2021 legislative session, the comptroller would conduct a study of circuit breaker programs. A circuit breaker program limits the amount of ad valorem taxes that may be imposed on a residence homestead based on the owner's annual income.

H.B. 3282

Author: Hinojosa

Amends/Enacts: §25.025 Tax Code

Status: Pending in House Public Health Committee

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units would be expanded to include an employee of or volunteer or contractor for a clinic or facility that provides abortion or family planning services.

H.B. 3298

Author: Dutton

Amends/Enacts: §§320A.001, 320A.051, 320A.052, 320A.052, 320A.053, 320A.054, 320A.055, 320A.056, 320A.057, 320A.058, 320A.101, 320A.102, 320A.103, 320A.104, 320A.151, 320A.152, 320A.153, 320A.154, and 320A.201 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 106**Author: Dean****Amends/Enacts: Art. VIII, §27 Texas Constitution****Status: Pending in House Ways and Means Committee**

This proposed constitutional amendment and related bill would create a Select Commission on Periodic Tax Preference Review. The Commission would consist of the comptroller and ten legislators. In six-year cycles, the Commission would review every exemption, special appraisal and other tax benefit. It would issue a report in advance of each legislative session analyzing the tax benefits studied since the last report. If a tax benefit were not reauthorized by the legislature, it would expire two years after it appeared in a Commission report.

H.B. 3380**Author: Jarvis Johnson****Amends/Enacts: §§311.002 and 311.006 Tax Code****Status: Pending in House Ways and Means Committee**

A reinvestment zone created for purposes of tax-increment financing would have to include police and fire stations to serve the zone. A project plan would have to include a plan for making any necessary improvements to the public safety infrastructure in the reinvestment zone.

H.B. 3866**Author: Sanford****Amends/Enacts: §§171.701, 171.702, 171.703, 171.704, 171.705, 171.706, and 171.707 Tax Code**

Property owners paying property taxes on most retail inventories would be entitled to credits against their state franchise taxes. The amount of the credit would be the difference between: 1) the taxes actually paid by the retailer; and 2) the taxes the retailer would have paid if its inventory had been appraised based on sales. This rule would not apply to the inventories of auto dealers and the other dealers that are already subject to sales-based taxes.

H.B. 3870**Author: Sanford****Amends/Enacts: §§171.701, 171.702, 171.703, 171.704, 171.705, 171.706, and 171.707 Tax Code****Status: Pending in House Ways and Means Committee**

Property owners paying property taxes on most retail inventories would be entitled to offsetting credits against their state franchise taxes. This rule would not apply to dealers' inventories subject to sales-based taxes.

H.B. 4180**Author: Miller****Amends/Enacts: §§312.0021, and 313.024 Tax Code****Status: Pending in House Ways and Means Committee**

This bill concerning school district value limitations under the Economic Development Act and wind-powered energy devices located near military aviation facilities is virtually identical to H.B. 3168 discussed above. This bill is also discussed under the heading, *Exemptions*.

H.B. 4335

Author: Huberty

Amends/Enacts: §§6.22, 6.23, 6.27 Tax Code; §§11.1511, 45.231, and 45.232 Education Code

Status: Pending in House Public Education Committee

A school district's taxes would have to be assessed and collected by the county TAC. A district could not employ its own TAC. If a school district extended into more than one county, it would use the services of each county's TAC.

H.B. 4373

Author: Smithee

Amends/Enacts: §313.027 Tax Code

Status: Pending in House Ways and Means Committee

The Economic Development Act allows a property owner receiving a school tax value limitation to give supplemental payments to the school district, but not more than \$50,000 per year. This bill would raise that annual limit to \$75,000.

H.B. 4621 ★

Author: Huberty

Amends/Enacts: §§151.051, 151.802 Tax Code

Status: Passed by House Ways and Means Committee; pending in full House

H.J.R. 3 ★

Author: Huberty

Amends/Enacts: Article VIII, Section 27, Texas Constitution

Status: Passed by House Ways and Means Committee; pending in full House

This proposed constitutional amendment and related bill would increase the sales tax rate from 6.25% to 7.25% with the extra revenue going to the property tax relief fund.

S.B. 67

Author: Nelson

Amends/Enacts: §§1.085, 5.01, 5.041, 5.043, 5.102, 5.103, 5.104, 6.412, 6.42, 41.46, 41.461, 41.47, 41.66, 41.67, 41.71, 41A.06, 41A.061, and 41A.09 Tax Code; §403.302 Government Code

Status: Pending in Senate Property Tax Committee

The Comptroller would appoint a "property tax administration advisory board" to give him advice concerning his property-tax responsibilities. The board would consist of six or more members. It would include representatives of taxpayers, appraisal districts and school districts and somebody who knew something about ratio studies. The members would not have fixed terms; they would serve at the pleasure of the comptroller. The comptroller's Property Value Study Advisory Committee would cease to exist. This bill is also discussed under the headings: Appraisals and Appraisal Districts and ARBs. This bill is also discussed under the headings *Appraisal Districts and ARBs* and *Appraisal District Litigation and Arbitration*.

S.B. 410

Author: Hughes

Amends/Enacts: §§171.701, 171.702, 171.703, 171.704, 171.705, 171.706, and 171.707 Tax Code

Status: Pending in Senate Finance Committee

Property owners paying property taxes on most retail inventories would be entitled to offsetting credits against their state franchise taxes. This bill is virtually identical to H.B. 3870 discussed above.

S.B. 412

Author: Hughes

Amends/Enacts: §§171.701, 171.702, 171.703, 171.704, 171.705, 171.706, and 171.707 Tax Code

Status: Pending in Senate Finance Committee

Property owners paying property taxes on most retail inventories would be entitled to credits against their state franchise taxes. This bill is virtually identical to H.B. 3866 discussed above.

S.B. 462 ★★

Author: Campbell

Amends/Enacts: §§1251.051, 1251.052 and 1251.053 Government Code

Status: Passed by Senate; Pensions, Investments, and Financial Services Committee

The ballot for a taxing unit's bond election would have to include information about the unit's debts and the unit's debt rate at the time the election is ordered, expressed as: a) an amount per \$100 of value; and b) a percentage of the total adopted tax rate as of the beginning of the unit's fiscal year in which the election were ordered.

S.B. 565

Author: Campbell

Amends/Enacts: §313.025 Tax Code

Status: Pending in Senate Natural Resources and Economic Development Committee

Under the Economic Development Act, a school district may waive the Act's new-jobs requirement under certain circumstances. This bill would repeal that law. A school district could not waive the requirement.

S.B. 728

Author: Kolkhorst

Amends/Enacts: §313.032 Tax Code

Status: Pending in Senate Natural Resources and Economic Development Committee

Recipients of tax breaks under the Economic Development must provide certain data to the comptroller. This bill would require a recipient to have that data verified by a CPA. The data could be verified with "reliable sources," including appraisal districts and the Texas Workforce Commission.

S.B. 1253 ★★★

Author: Kolkhorst

Amends/Enacts: §§403.0241, 403.0242 Government Code; §140.008, 203.061, 203.062, and 203.063 Local Government Code

Status: Passed by Senate; substitute passed by House Ways and Means Committee; pending in full House

The comptroller's Special Purpose District Public Information Database would be expanded to include information about all political subdivisions. That information would include the e-mail address of every member of a political subdivision's governing body. Every political subdivision would have to provide information to the comptroller's office.

S.B. 1278

Author: West

Amends/Enacts: §§311.003, 311.006, and 311.016 Tax Code

Status: Pending in Senate Natural Resources and Economic Development Committee

This concerning reinvestment zones created for purposes of tax increment financing is virtually identical to H.B. 2494 discussed above.

S.B. 1309 ★★

Author: Bettencourt

Amends/Enacts: §§6.22, 6.23, 6.27 Tax Code; §§11.1511, 45.231, and 45.232 Education Code

Status: Pending in Senate; referred to Public Education Committee

A school district's taxes would generally have to be assessed and collected by the County TAC. If a school district extended into more than one county, it would use the services of each county's TAC. A district that employed its own TAC in the years 2017-2019 could continue to do so if the trustees determined that the total cost of collection of the district's taxes by the district's TAC for those three tax years was less than the total cost of collection of ad valorem taxes by the County TAC for those three tax years. The trustees would have to revisit that question every three years.

S.B. 1315 ★★

Author: Bettencourt

Amends/Enacts: § 44.0025 Education Code

Status: Passed by Senate; pending in House County Affairs Committee

This bill would require school districts with 50,000 or more students, county departments of education in counties with a population of 3.3 million or more, and cities or counties with a population of 225,000 or more to conduct a full review of their respective budget and produce and consider a zero-based budget every twelve years, starting with the 2021 budget cycle. A zero-based budget is one based on actual programs, need and efficiency, rather than past budgets.

S.B. 1328

Author: Bettencourt

Amends/Enacts: §551.001 Government Code

Status: Pending in Senate Business and Commerce Committee

The board of directors of a reinvestment zone created for purposes of tax-increment financing would be subject to the Open Meetings Act.

S.B. 1610

Author: Hall

Amends/Enacts: §§312.0022 and 313.024 Tax Code; §§35.201 and 35.202 Utilities Code
Status: Pending in Senate Business and Commerce Committee

This bill contemplates that the owner of a “solar facility” would enter an agreement with the county in which the facility was located. The agreement would concern the decommissioning of the facility. In the absence of an agreement the property could not receive a school-tax value limitation under the Economic Development Act. This bill is also discussed under the heading, *Exemptions*.

S.B. 1617

Author: Hall

Amends/Enacts: §§312.0022 and 313.024 Tax Code

Status: Pending in Senate Business and Commerce Committee

A property used for renewable energy electric generation could no longer qualify for a school tax value limitation under the Economic Development Act. This bill is also discussed under the heading, *Exemptions*.

S.B. 1930

Author: Zaffirini

Amends/Enacts: §313.024(b) Tax Code

Status: Pending in Senate Natural Resources and Economic Development Committee

A water desalination project could qualify for a school-tax value limitation under the Economic Development Act.

S.B. 2059

Author: Menendez

Amends/Enacts: §25.025 Tax Code

Status: Pending in Senate State Affairs Committee

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units would be expanded to include an employee of or volunteer or contractor for a clinic or facility that provides abortion or family planning services. It is virtually identical to H.B. 3282 discussed above.

S.B. 2219 ★★★

Author: Bettencourt

Amends/Enacts: §§45.0051 and 57.072 Election Code; §§ 1251.001, 1251.002, 1251.003, 1251.004, 1251.005, 1251.006, 1251.051 and 1251.052 Government Code

Status: Passed by Senate; substitute passed by House Ways and Means Committee; pending in full House

If a taxing unit held an election seeking voter approval for the imposition or increase of a tax, the proposition would have to include the estimated additional tax burden that would be imposed on a homestead of median value and a detailed description of the purposes for which the tax is to be imposed or increased. A proposition for the reduction of a tax would have to state the estimated tax reduction on a homestead of median value. The bill would also impose limits on the length of the ballot proposition. The bill also includes provisions applicable to ballot language in bond elections. The House version deals with bond elections only. It does not include the provisions related to tax elections.

