

PROPERTY TAX BILLS IN THE 2017 TEXAS LEGISLATURE REGULAR SESSION

Last Updated: June 19, 2017

The 85th Regular Session of the Texas Legislature has ended. We had expected that legislators would make some major changes to the property tax system, but they didn't. The session dissolved into rancorous feuding between the House and the Senate. No major omnibus bill was passed, and the system should generally continue to function as it has. Bills passed by the Legislature appear in the first list below, Bills that Passed. Bills that died appear in the second list (in gray type), Dead Bills. The stars show the extent of a bills progress. Governor Abbott signed all of the passed bills.

The Governor also announced that he his calling a special session to begin on July 18. He identified twenty issues to be addressed in the special session, including "property tax reform." We will begin posting information about the special session in early July.

- ★ 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. 150 ★★★★★

Author: Bell

Amends/Enacts: §§11.132 and 33.06 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2018 (if H.J.R. 21 is approved by voters)

H.J.R. 21 ★★★★★

Author: Bell

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

Status: Passed by both houses; election November 7, 2018

Current law provides an exemption for a homestead donated by a charitable organization to a disabled veteran at no cost to the veteran. This proposed constitutional amendment would

expand the exemption to include a homestead sold by a charitable organization to a disabled veteran for less than its estimated market value. The bill would require that the property be sold to the veteran for no more than half of its value as estimated by the charitable organization. The veteran could pay with cash or give the charitable organization a note and a mortgage. H.B. 150 is also discussed under the heading *Collections*.

H.B. 626 ★★★★★

Author: Workman

Amends/Enact: §§11.431 and 11.439 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2017

A homestead exemption application may be filed up to two years after the delinquency date for the tax year in question. A disabled veteran may file for an exemption under §11.22 up to five years after the delinquency date for the tax year in question. In either case, an appraisal district will have to notify the TAC within thirty days after granting an application, and the TAC will then have sixty days in which to pay any tax refund.

H.B. 1101 ★★★★★

Author: Pickett

Amends/Enacts: §11.43 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2018

If a disabled veteran receives a total homestead exemption based on the V.A.'s determination that he has a permanent total disability, the appraisal district may not require the veteran to reapply for the exemption in a later year.

H.B. 1186 ★★★★★

Author: Anderson

Amends/Enacts: § Section 4B, Chapter 628, Acts of the 68th Legislature, Regular Session, 1983

Status: Passed by both houses; signed by Governor

Effective: Immediately

This bill concerns certain tax abatements offered by the Dallas County Utility and Reclamation District.

H.B. 2019 ★★★★★

Author: Tracy King

Amends/Enacts: §§1.04, 11.432, 23.127, 25.08 and 32.03 Tax Code; §1201.010, 1201.205, 1201.206 and 1201.217 Occupations Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2017

A homestead exemption application for a manufactured home will have to be accompanied by a sales purchase agreement *or other applicable contract or agreement* or the payment receipt showing that the applicant was the purchaser of the home or an affidavit to that effect. This bill is also discussed under the heading *Appraisals*.

H.B. 2228 ★★★★★

Author: Murphy

Amends/Enacts: §§11.4391, 21.09, 22.23, 41.11 and 41.44 Tax Code

Status: Passed by both houses; signed by Governor

January 1, 2018

A property owner may not file an application for a Freeport exemption, even a late application, after June 15. This bill is also discussed under the headings *Appraisals* and *Appraisal Districts and ARBs*.

H.B. 2999 ★★★★★

Author: Dennis Bonnen

Amends/Enacts: §11.23 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2018

This bill concerns exemptions for certain medical centers in Harris County.

S.B. 15 ★★★★★

Author: Huffines

Amends/Enacts: §§11.134, 11.42, 11.43, 11.431, 26.10 and 26.112 Tax Code; §403.302 Government Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2018 (if S.J.R. 1 is approved by voters)

S.J.R. 1 ★★★★★

Author: Campbell

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

Status: Passed by both houses; election November 7, 2018

This proposed constitutional amendment and related bill would provide a total homestead exemption to the surviving spouse of a first responder killed or fatally injured in the line of duty. The surviving spouse would lose the exemption if she remarried. She could transfer the exemption in a fixed dollar amount from one homestead to another.

S.B. 277 ★★★★★

Author: Campbell

Amends/Enacts: §§312.0021 and 313.024 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2017

A property may not receive a tax abatement if a wind-powered energy device is installed on the property and if that device is within twenty-five nautical miles of a military aviation facility. The bill will not affect tax abatement agreements or devices already in existence. The bill will not apply to a device installed or constructed as part of an expansion or repowering of an existing project. This bill is also discussed under the heading, *Miscellaneous*.

S.B. 1133 ★★★★★

Author: Hinojosa

Amends/Enacts: §60.005 Water Code

Status: Passed by both houses; signed by Governor
Effective: Immediately

All property of a navigation district will be exempted from taxation. This bill may be unconstitutionally broad to the extent that it applies to property owned by a navigation district but not used for public purposes.

S.B. 1345 ★★★★★

Author: Watson

Amends/Enacts: §11.18 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2018

The general charitable exemption will be expanded to include an organization that provides tax return preparation services and assistance with other financial matters to beneficiaries without regard to their ability to pay.

S.B. 1969 ★★★★★

Author: Kolkhorst

Amends/Enacts: §11.23 Tax Code

Status: Passed by both houses; signed by Governor

Effective: April 1, 2019

This bill makes minor, non-substantive changes to the law exempting property of county fair associations.

Appraisals

H.B. 777 ★★★★★

Author: Ashby

Amends/Enacts: §23.523 Tax Code

Status: Passed by both houses; signed by Governor

Effective: Immediately

Under certain circumstances, a member of the armed services can keep an open-space agricultural appraisal even if his land temporarily ceases to qualify. The person will have to show that: 1) he was deployed or stationed outside Texas; and 2) he intends to restore the land's qualifications for the ag appraisal within 180 days after returning. He will have to notify the appraisal district no later than 30 days after being deployed. The bill does not say what happens if a returning soldier fails to restore his land's qualifications for the agricultural appraisal.

H.B. 2019 ★★★★★

Author: Tracy King

Amends/Enacts: §§1.04, 11.432, 23.127, 25.08 and 32.03 Tax Code; §1201.010, 1201.205, 1201.206 and 1201.217 Occupations Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2017

This voluminous bill would make many changes to statutes concerning manufactured homes. The TDHCA document now called a statement of ownership and location will be changed to a statement of ownership. The copy filed in the deed records to turn a home into real property will not have to be certified. A landowner applying for a statement for a home abandoned on his land will have to provide an affidavit stating that the name of the person to whom title will be transferred is the same name listed in the real property or tax records indicating the current ownership of the land. In connection with an application for a statement of ownership for a used home that was not in a retailer's inventory or that is being converted from personal property to real property, the statement required from the TAC will have to indicate that with respect to each January 1 occurring in the eighteen-month period preceding the sale, there were no *perfected and enforceable* taxes due that *had not been extinguished and canceled* on the home. The TDHCA will not issue the statement of ownership without receiving the TAC's statement.

The TDHCA will maintain a searchable Internet database of information regarding manufactured home ownership records, lien records, installation records, license holder records, manufacturers' monthly shipment reports, and enforcement actions. The database will include all lien information on statements of ownership. The TDHCA's reports to chief appraisers will also be posted on the Department's website.

For purposes of the sales-based tax on retail manufactured housing inventories, the definition of inventory will be the same definition found in the Occupations Code, i.e., new and used manufactured homes that: 1) a retailer has designated as the retailer's inventory for sale pursuant to the process implemented by the TDHCA; and 2) are not used as residential dwellings when designated as inventory. An appraisal district will have to appraise those homes as manufactured-housing inventory.

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

H.B. 2228 ★★★★★

Author: Murphy

Amends/ Status: Pending in House Ways and Means Committee

Enacts: §§11.4391, 21.09, 22.23, 41.11 and 41.44 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2018

A property owner claiming interstate allocation will have to file its application before April 1. If the property was not appraised in the preceding year, the deadline for application would be the 30th day after the date the owner receives a notice of appraised value. A chief appraiser may extend the deadline up to thirty days for good cause.

In a county where one or more taxing units allow the Freeport exemption, property owners will have to file their renditions no later than April 1, although, if a property owner requests more time, the appraisal district will have to extend the deadline until May 1. The district may extend the deadline another 15 days for good cause. Renditions for property regulated by the Public Utility Commission, the Railroad Commission, the Federal Surface Transportation Board, or the Federal Energy Regulatory Commission must be filed no later than April 30. A chief appraiser may extend the deadline by fifteen days for good cause.

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

H.B. 3103 ★★★★★

Author: Darby
Amends/Enacts: §11.01 Tax Code
Status: Passed by both houses; signed by Governor
Effective: Immediately

This bill seems intended to provide some guidance concerning when property becomes taxable in Texas as a result of being used here continually. Property will be taxable if it is used in Texas three or more times on regular routes or for three or more completed assignments occurring in close succession throughout the year. Assignments will be considered to be in close succession if they occur “in sequence within a short period at intervals from the beginning to the end of the year.”

S.B. 526 ★★★★★
Author: Birdwell
Amends/Enacts: §§23.52 and 23.73 Tax Code
Status: Passed by both houses; signed by Governor
Effective: September 1, 2017

S.B. 594 ★★★★★
Author: Creighton
Amends/Enacts: §§23.52 and 23.73 Tax Code
Status: Passed by both houses; signed by Governor
Effective: January 1, 2018

Current law requires the governor and several other high-level state officials to review and approve any revisions of the comptroller’s agricultural and timber appraisal manuals. Under these bills, a revision of the ag manual will require the “review and counsel” of only the Department of Agriculture. A revision of the timber manual will require the “review and counsel” of only the Texas A&M Forest Service.

S.B. 1459 ★★★★★
Author: Hinojosa
Amends/Enacts: §23.524 Tax Code
Status: Passed by both houses; signed by Governor
Effective: Immediately (applies to agreements signed after May 19, 2017)

A citrus grower will not lose his open space agricultural appraisal if he temporarily ceases to use his land to the degree of intensity generally accepted in the area and if he is fighting a pest infestation under an agreement with state or federal government authorities. The grower can keep the ag appraisal for up to five years under those conditions.

Appraisal Districts and ARBs

H.B. 455 ★★★★★
Author: Metcalf
Amends/Enacts: §41.45 Tax Code
Status: Passed by both houses; signed by Governor
Effective: September 1, 2017 for protests filed after that date

A property may appear for his ARB hearing and present his *arguments* to the ARB by telephone. The property owner may not present *evidence* via telephone. His evidence will have to come in the form of a written affidavit. A property who wants to appear by telephone must have to notify the ARB at least ten days before his hearing. An ARB may propose that a property owner appear by telephone, but it may not compel the owner to do so. The ARB will have to have speaker phone or other equipment that will allow everyone in the hearing room to hear the property owner.

H.B. 804 ★★★★★

Author: Dale

Amends/Enacts: §41.413 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2017

This bill concerns a lessee contractually obligated to pay the taxes on leased property. The property owner receiving a notice of appraised value will have ten days in which to send a copy to the lessee. The owner will not have to send the copy if the lessee waives that right in the lease or if the lease prohibits the lessee from filing a protest. If a lessee demonstrates to the appraisal district that the lessee is contractually responsible for the taxes, the district will have to send the lessee a copy of the notice within five days of sending it to the property owner. The duplicate notice will not be necessary if the district posts the appraised value of the property on its website within that five days. The bill also recognizes the right of a lessee to appoint an agent.

H.B. 2228 ★★★★★

Author: Murphy

Amends/Enacts: §§11.4391, 21.09, 22.23, 41.11 and 41.44 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2018

Protests would have to be filed no later than May 15 or thirty days after the delivery of appraisal notices, whichever were later. There would no longer be a separate deadline for protests concerning homesteads. This bill is also discussed under the headings *Exemptions* and *Appraisals*.

S.B. 945 ★★★★★

Author: Bettencourt

Amends/Enacts: §25.25 Tax Code

Status: Passed by both Houses; signed by Governor

Effective: Immediately

At any time, a chief appraiser can correct an erroneous denial or cancellation of: a homestead exemption if the homeowner is disabled or over 65 or the surviving spouse of someone disabled or over 65; a severely disabled veteran's homestead exemption; or another disabled veteran's exemption.

S.B. 1286 ★★★★★

Author: Bettencourt

Amends/Enacts: §§41.45, 41A.061 and 41A.07 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2017

The comptroller will create rules governing the exchange and presentation of electronic evidence at ARB hearings. Those rules will also address audiovisual equipment made available for use by property owners and their agents. This bill is also discussed under the heading *Appraisal District Litigation and Arbitration*.

S.B. 1767 ★★★★★

Author: Buckingham

Amends/Enacts: §§25.25, 41.47 and 41.66 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2018

In an ARB hearing, the property owner will be able to choose whether to present her case before or after the appraisal district presents its case.

Appraisal District Litigation and Arbitration

S.B. 731 ★★★★★

Author: Bettencourt

Amends/Enacts: §§41A.01, 41A.03 and 41A.06 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2017

A property appraised at up to \$5 million may be the subject of an appeal through binding arbitration. If the property is appraised at more than \$3 million and it is not the owner's homestead, the deposit required for the arbitration will be \$1,550 and the arbitrator's fee will be \$1,500.

S.B. 1286 ★★★★★

Author: Bettencourt

Amends/Enacts: §§41.45, 41A.061 and 41A.07 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2017

Parties to an arbitration will no longer be given the opportunity to select their arbitrator; the comptroller will simply appoint one. The comptroller will have to appoint an arbitrator who lives in the county or, if there were no arbitrator in the county, an arbitrator who lives somewhere in Texas. An arbitrator may not handle cases from a county if, during the preceding five years, she has: 1) acted as a tax consultant in the county; 2) been an officer or employee of that county's appraisal district; or 3) served on that county's ARB. The comptroller may refuse to assign cases to an arbitrator for good cause including repeated bias or misconduct by the arbitrator. An arbitrator may also be removed from the comptroller's registry for repeated bias or misconduct. This bill is also discussed under the heading *Appraisal Districts and ARBs*.

Assessment

H.B. 3198 ★★★★★

Author: Darby
Amends/Enacts: §23.55 Tax Code
Status: Passed by both houses; signed by Governor
Effective: September 1, 2017

Land will not cease to qualify for open-space ag appraisal merely because a lessee under an oil and gas lease begins conducting oil and gas operations (under the Railroad Commission's jurisdiction) on the land if the portion of the land on which oil and gas operations are not being conducted otherwise continues to qualify.

Collections

H.B. 150 ★★★★★
Author: Bell
Amends/Enacts: §§11.132 and 33.06 Tax Code
Status: Passed by both houses; signed by Governor
Effective: January 1, 2018

The interest rate on deferred taxes will be lowered from eight percent to five percent. This bill is also discussed under the heading *Exemptions*.

H.B. 217 ★★★★★
Author Canales
Amends/Enacts: §33.06 Tax Code
Status: Passed by both houses; signed by Governor
Effective: September 1, 2017

The right to defer the collection of taxes on a homestead will extend to disabled veterans, specifically any property owner qualified to receive an exemption under §11.22.

H.B. 1128 ★★★★★
Author: Wray
Amends/Enacts: §§34.01 and 34.07 Tax Code
Status: Passed by both houses; signed by Governor
Effective: September 1, 2017

A tax sale of real property, other than an online sale, will have to take place between 10 a.m. and 4 p.m. on the first Tuesday of a month. If the first Tuesday falls on January 1 or July 4, the sale will occur on the following Wednesday. An online sale may begin at any time and must conclude at 4 p.m. on the first Tuesday of a month (Wednesday if the first Tuesday falls on January 1 or July 4).

H.B. 1346 ★★★★★
Author: Button
Amends/Enacts: §23.1242 Tax Code
Status: Passed by both houses; signed by Governor
Effective: September 1, 2017

A heavy equipment dealer will have until the 20th of each month to file its monthly statement concerning its sales during the preceding month and to make its monthly pre-payment of inventory taxes.

H.B. 2989 ★★★★★

Author: Dennis Bonnen

Amends/Enacts: §26.15 Tax Code

Status: Passed by both houses; signed by Governor

Effective: Immediately

If a change to a tax roll results in a refund being due, the TAC will pay the refund to the property owner who paid the tax, not to a new owner.

H.B. 3389 ★★★★★

Author: Schofield

Amends/Enacts: §33.73 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2017

This bill concerns delinquent-tax suits heard by tax masters. It will require the district clerk to collect the fees taxed as costs of suit and award the fees to the master regardless of the disposition of the suit. But fees will not be collected or paid in a suit dismissed by the master unless he has: 1) held at least one hearing; or 2) spent an amount of time preparing for the suit that is equivalent to the time typically required to conduct a hearing.

S.B. 492 ★★★★★

Author: West

Amends/Enacts: §130.006 Local Government Code

Status: Passed by both houses; signed by Governor

House

Effective: Immediately

A county TAC can turn bad checks and dishonored credit card invoices over to a private collection agency. The agency can charge the deadbeat a bad-check fee of between \$15 and \$30.

S.B. 1047 ★★★★★

Author: Creighton

Amends/Enacts: §§31.031 and 31.032 Tax Code

Status: Passed by both houses; signed by Governor

Effective: January 1, 2018

This bill makes some technical revisions and corrections to laws that allow some property owners to pay their taxes in installments. People with the right to pay their homestead taxes in installments will include: 1) disabled homeowners and those over sixty-five who qualify for the \$10,000 school-tax exemption; and 2) disabled veterans (and surviving spouses) who qualify for disabled veterans' exemptions.

The bill also addresses installment payments on properties damaged by disasters. The ordinary delinquency dates for the four installments are February 1, April 1, June 1 and August 1. The first payment must be accompanied by a notice explaining that the taxes will be paid in

installments. A taxpayer will have this option even if the first payment is made in the month following the first delinquency date.

School Finance and Value Studies

S.B. 1353 ★★★★★

Author: Larry Taylor

Amends/Enacts: §§13.054 and 41.002 Education Code

Status: Passed by both houses; signed by Governor

Effective: Immediately

The calculation of the wealth limitation imposed on a school district under §41.002(e) and (g) is changed by substituting 1.17 for the old figure of 1.5.

The bill could also provide some additional state money to a school district that annexes an academically unacceptable district.

Miscellaneous

H.B. 457 ★★★★★

Author: Holland

Amends/Enacts: §25.025 Tax Code

Status: Passed by both houses; signed by Governor

Effective: Immediately

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units will be expanded to include the spouse or surviving spouse of a current or former peace officer, and the adult child of a current peace officer.

H.B. 1278 ★★★★★

Author: Dutton

Amends/Enacts: §25.025 Tax Code, §§552.117 and 552.117 Government Code.

Status: Passed by both houses; signed by Governor

Effective: Immediately

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units is expanded to include and current or former district attorneys, criminal district attorneys and county or municipal attorneys with jurisdiction over criminal law or child protective services matters.

H.B. 1861 ★★★★★

Author: Elkins

Amends/Enacts: §552.139 Government Code

Status: Passed by both houses; signed by Governor

Effective: Immediately

A governmental body's records concerning routine efforts to prevent, detect, investigate, or mitigate a computer security incident, including information contained in or derived from an information security log will be confidential.

H.B. 3107 ★★★★★

Author: Ashby

Amends/Enacts: §§552.221 552.261, 552.275 and 552.3215 Government Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2017

This bill makes several amendments to the Public Information Act, most of which seem to address frivolous or burdensome requests for information. For example, a request will be considered withdrawn if the requestor does not inspect the records or pay for having copies sent to him within sixty days. A governmental body may establish monthly as well as yearly time limits on the amount of time its personnel are required to spend producing information for a requestor. The monthly time limit could be as low as fifteen hours. A governmental body is not required to comply with a requestor who has not paid the body's costs of responding to his previous requests. The news media are excepted from these provisions.

S.B. 42 ★★★★★

Author: Zaffirini

Amends/Enacts: §25.025 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2017

Under this court-security bill, the list of people who can have their home addresses kept confidential by appraisal districts and taxing units will be expanded to include a federal or state judge or the spouse of a federal or state judge. The rule applies to a judge on the date the Office of Court Administration of the Texas Judicial System notifies the appraisal district of the judge's qualification for office.

S.B. 79 ★★★★★

Author: Nelson

Amends/Enacts: 552.221 Government Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2017

Current law gives a "political subdivision" responding to a public-information request the option of telling the requestor where the information can be found on the subdivision's Internet website. This bill extends that option to any "governmental body."

S.B. 256 ★★★★★

Author: Van Taylor

Amends/Enacts: §25.025 Tax Code

Status: Passed by both houses; signed by Governor

Effective: Immediately

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units is expanded to include not only victims of family violence but also victims of sexual assault or abuse, stalking or human trafficking. The bill specifies how a victim will

establish her right to have her address kept confidential. Generally, she can provide a copy of a protective order or provide “other independent documentary evidence.” A victim participating in the Attorney General’s address confidentiality program can provide proof of her certification under that program.

S.B. 277 ★★★★★

Author: Campbell

Amends/Enacts: §§312.0021 and 313.024 Tax Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2017

A property may not receive a school-tax value limitation if a wind-powered energy device is installed on the property and if that device is within twenty-five nautical miles of a military aviation facility. The bill will not affect value limitation agreements or devices already in existence. This bill is also discussed under the heading, *Exemptions*.

S.B. 510 ★★★★★

Author: Zaffirini

Amends/Enacts: §25.025 Tax Code

Status: Passed by both houses; signed by Governor

Effective: Immediately

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units will be expanded to include current and former employees of federal or state judges.

S.B. 625 ★★★★★

Author: Kolkhorst

Amends/Enacts: §§403.0241, 403.0242 Government Code; §§203.061 and 203.062 Local Government Code

Status: Passed by both houses; signed by Governor

Effective: September 1, 2017

The comptroller will create an Internet database containing financial and tax rate information about special purpose districts. The districts in the database will not include school or junior-college districts but will include other districts that are authorized to impose property or sales taxes, to impose assessments, or to charge fees. In order to be included, a district must, during the most recent fiscal year: 1) have had bonds outstanding; 2) have had gross receipts from operations, loans, taxes, or contributions in excess of \$250,000; or 3) have had cash and temporary investments in excess of \$250,000. The database will include information about each district including: the name of each board member; the name of the person serving as the district’s general manager; the name of the district’s utility operator; the name of the district’s TAC; the district’s tax rates; its account balances, debts and other financial information. Districts will have to provide the information to the comptroller. A district that fails to do so will be included on a noncompliance list and may be subjected to a \$1,000 fine for every thirty days that it remains out of compliance. The comptroller will have the database created and posted by September 1, 2018 and will update the information annually.

S.B. 929 ★★★★★

Author: Hughes

Amends/Enacts: §6.231 Tax Code

Status: Passed by both houses; signed by Governor
Effective: Immediately (doesn't apply to TACs currently holding office)

A county TAC who assesses or collects property taxes will have to complete at least forty hours of continuing education courses on assessment and collection, including a course dedicated to Chapter 26 of the Tax Code, not later than the first anniversary of the date on which the TAC first took office. The law applies to only a TAC whose first term of office begins after May 18, 2017.

S.B. 1086 ★★★★★
Author: Seliger
Amends/Enacts: §156.155 Tax Code
Status: Passed by both houses; signed by Governor
Effective: Immediately

The Comptroller may no longer post on the Internet information about a hotel's taxable receipts. The information will still be available on request under the Public Information Act.

S.B. 1576 ★★★★★
Author: Perry
Amends/Enacts §25.025 Tax Code
Status: Passed by both houses; signed by Governor
Effective: September 1, 2017 (applies to requests for information filed after that date)

This bill adds to the list of persons who may request their home address to be exempt from disclosure. The list will include current or former employees of the Texas Civil Commitment Office.

S.B. 2242 ★★★★★
Author Hinojosa
Amends/Enacts: §§25.25, 31.112 and 31.12 Tax Code; §42.2532 Education Code; §72.010 Local Government Code
Status: passed by both houses; signed by Governor
Effective: Immediately

This bill prescribes special procedures for dealing with tax issues arising from a boundary dispute between Nueces and San Patricio Counties.

Dead Bills

Exemptions

H.B. 102
Author: Guillen
Amends/Enacts: §§11.36, 11.42, 11.43, 26.1125 Tax Code
Status: Pending in House Ways and Means Committee

H.J.R. 18
Author: Guillen
Amends/Enacts: Art. VIII, §1-s Texas Constitution
Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would create a local-option tax exemption for new businesses in counties with 250,000 or fewer people. A taxing unit's governing body could exempt the real and personal property of new businesses for ten years. The bill also includes some state-tax exemptions for new businesses.

H.B. 302
Author: Goldman
Amends/Enacts: §11.146 Tax Code
Status: Pending in House Ways and Means Committee

Current law exempts mineral interests with values less than \$500. This bill would increase the exemption to include mineral interests with values less than \$2,000.

H.B. 382 ★
Author: Murphy
Amends/Enacts: §11.211
Status: Passed by House Ways and Means Committee; pending in full House

H.J.R. 34 ★
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 for educational purposes. The property owner would have to pass the tax savings along to the school in the form of reduced rent. The school's leasehold interest would not be taxable.

H.B. 425
Author: Button
Amends/Enacts: §11.35 Tax Code
Status: Pending in House Ways and Means Committee

H.J.R. 35
Author: Button
Amends/Enacts: Art. VIII, §§1 and 1-p Texas Constitution
Status: Pending in House Ways and Means Committee

Under this proposed constitutional amendment and related bill, an inventory held for sale at retail would be exempt from taxation by a school district. School districts would still tax those special inventories that are taxed based on sales. In the future, the legislature would have the authority to exempt all retail inventories from taxation by all taxing units.

H.B. 445 ★
Author: Frank
Amends/Enacts: §§312.0021 and 313.024 Tax Code

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

A property could not receive a tax abatement if it were near a military aviation facility and if a wind-powered energy device were installed on the property. This bill is also discussed under the heading, Miscellaneous.

H.B. 549

Author: Anderson

Amends/Enacts: § Section 4B, Chapter 628, Acts of the 68th Legislature, Regular Session, 1983

Status: Pending in House Ways and Means Committee

This bill concerns certain tax abatements offered by the Dallas County Utility and Reclamation District.

H.B. 570

Author: Button

Amends/Enacts: §§11.134, 11.42, 11.43, 11.431, 26.10 and 26.112 Tax Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 86

Author: Button

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

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would provide a total homestead exemption to the surviving spouse of a first responder killed or fatally injured in the line of duty. They are virtually identical to S.B. 15 and S.J.R. 1 described above.

H.B. 734

Author: Workman

Amends/Enacts: §11.35 Tax Code; §42.2512 Education Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 48

Author: Workman

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

Status: Pending in House Ways and Means Committee

Inventories would be exempted from taxation by school districts. The exemption would start as a partial exemption, but it would expand until inventories were completely exempted from school taxes in 2027 and thereafter. The state would provide extra money to school districts to make up for the lost revenue.

H.B. 820

Author: Shaheen

Amends/Enacts: §11.13 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 50

Author: Shaheen
Amends/Enacts: Art. VIII, §1-b Texas Constitution
Status: Pending in House Ways and Means Committee

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 indigent residents of the county.

H.B. 845
Author: Lozano
Amends/Enacts: §§11.186 and 11.43 Tax Code; §403.302 Government Code
Status: Pending in House Ways and Means Committee

H.J.R. 51
Author: Lozano
Amends/Enacts: Art, VIII, §1-r Texas Constitution
Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would create a local option exemption for mineral interests owned by a nonprofit corporation organized for the exclusive purpose of owning property to generate income for the benefit of a specific charitable, nonprofit corporation. The charitable nonprofit would have to engage exclusively in providing housing, counseling, training, spiritual aid, and related services to children and families in need. It could not charge for its services. The decision to allow the exemption or not would be made by each taxing unit's governing body. The exemption would be recognized in a school district's value study.

H.B. 850 ★★
Author: Turner
Amends/Enacts: §11.35 Tax Code
Status: Passed by House; pending in Senate Finance Committee

H.J.R. 52 ★★
Author: Turner
Amends/Enacts: Art. VIII, §1-p Texas Constitution
Status: Passed by House; pending in Senate Finance Committee

This proposed constitutional amendment and related bill would create a partial exemption for a group home or intermediate care facility providing care and services for people with intellectual disabilities. The exemption for a particular year would equal the costs of maintaining, operating, and making improvements to the property during the preceding year.

H.B. 906
Author: Elkins
Amends/Enacts: Chapter 157 Education Code
Status: Pending in House Government Transparency and Operations Committee

H.J.R. 54
Author: Elkins
Amends/Enacts: Art. VIII, §1-p, Texas Constitution
Status: Pending in House Government Transparency and Operations Committee

A public or private institution of higher education, or a qualified medical facility associated with such an institution, could create a special-purpose “research technology corporation” to develop its commercial technologies. The corporation would be entitled to an exemption for its real and personal property as well as incomplete improvements and related land, including leased property, but only if it does not engage in activities unrelated to technology development. Property previously owned by an organizer or director of the corporation, or subject to tax before the corporation was formed, would not be exempt from taxation. The corporation could be formed by any person legally qualified to form a Texas corporation.

H.B. 1182
Author: Button
Amends/Enacts: §11.35 Tax Code
Status: Pending in House Ways and Means Committee

H.J.R. 60
Author: Button
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 food products held by the owner for sale at retail.

H.B. 1252
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 *Miscellaneous*.

H.B. 1330
Author: Kuempel
Amends/Enacts: §11.145 Tax Code
Status: Pending in House Ways and Means Committee

The current exemption for small amounts of bpp would be increased from \$500 to \$2,500.

H.B. 1334
Author: Isaac
Amends/Enacts: §11.325
Status: Pending in House Ways and Means Committee

A taxing unit’s governing body could adopt an exemption for the portion of a property’s value attributable to a rainwater harvesting system.

H.B. 1473
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. 64**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. 1513**Author: Isaac****Amends/Enacts: §11.181 Tax Code****Status: Pending in House Ways and Means Committee**

Property could receive the Habitat-for-Humanity exemption for up to ten years. If property that qualified for the §11.1825 low-income-housing exemption were transferred from another charitable organization to Habitat for Humanity (or a similar organization) it could receive the Habitat exemption until the tenth anniversary of the date that it had been acquired by the other charitable organization.

H.B. 1548**Author: Dutton****Amends/Enacts: §§11.1828, 11.436 and 26.111 Tax Code****Status: Pending in House Ways and Means Committee****H.J.R. 66****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. The bill would require that the property be within one mile of a school. 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 60% 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. 1591 ★**Author: Bohac****Amends/Enacts: §§11.134,****Status: Passed by House Ways and Means Committee; pending in full House****H.J.R. 67 ★★**

Author: Bohac
Amends/Enacts: Art. VIII, §1-b Texas Constitution
Status: Passed by House; referred to Senate

This proposed constitutional amendment and related bill would create a total exemption for the homesteads of a Purple Heart recipients. The exemption could be inherited by the surviving spouse of a Purple Heart recipient. The surviving spouse could transfer the exemption in a fixed amount to a new homestead.

H.B. 1626 ★
Author: Gutierrez
Amends/Enacts: §311.0125 Tax Code
Status: Passed by House Ways and Means Committee; pending in full House

This bill concerns tax abatements in a reinvestment zone created for purposes of tax-increment financing. Current law requires an abatement agreement to be approved by the zone's directors and by each taxing unit that deposits or agrees to deposit any of its tax increment into the tax increment fund for the zone. Under this bill, that requirement would not apply to an abatement agreement entered by a taxing unit that did not deposit and had not agreed to deposit any of its tax increment into the fund.

H.B. 1679
Author: Schofield
Amends/Enacts: §§11.13 and 11.26 Tax Code; §§41.001, 42.2518, 42.252, 42.302, 46.003, 46.032 and 46.071 Education Code
Status: Pending in House Ways and Means Committee

H.J.R. 69
Author: Schofield
Amends/Enacts: Art. VIII, §1-b Texas Constitution
Status: Pending in House Ways and Means Committee

The school-tax homestead exemption available to all homeowners would be the greater of \$25,000 or thirteen percent of the appraised value of a homestead, whichever were greater. Tax freezes would be adjusted downward for those owners who would benefit from the new exemption. The state would make up the money lost by school districts.

H.B. 1696
Author: Blanco
Amends/Enacts: 11.22 Tax Code
Status: Pending in House Ways and Means Committee

H.J.R. 70
Author: Blanco
Amends/Enacts: Art. VIII, §2 Texas Constitution
Status: Pending in House Ways and Means Committee

The exemption that a disabled veteran can apply to any property would become a percentage exemption. The percentages would be as follows:

Disability Percentage	Exemption Percentage of Value
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10-29%	7.9%
30-49%	11.86%
50-69%	15.82%
70% or over 65 or lost use of eye or limb	18.98%

If a disabled veteran died leaving a surviving spouse or minor children, they would inherit the exemption but it would be fixed at the dollar amount that applied at the time of the veteran's death.

H.B. 1772

Author: Swanson

Amends/Enacts: §§11.13, 11.42, 11.43, 26.10, 26.112 and 33.01 Tax Code; §§41.0012, 42.2518, 42.252, 42.302, 44.004, 46.003, 46.032 and 46.071 Education Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 71

Author: Swanson

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

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would totally exempt the homesteads of people seventy five or older. Mechanically the exemption would work very much like the present exemption for homeowners sixty-five or older. School districts would receive extra money from the state to make up for their lost taxes.

H.B. 2081

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. 76

Author: Phelan

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

Status: Pending in House Ways and Means Committee

A school district could completely exempt the homesteads of disabled people and people 70 or older. A surviving spouse 55 or older could inherit the exemption but could not transfer it to another homestead. Mechanically the exemption would work very much like the present exemption for homeowners sixty-five or older. The state would not provide extra money to a school district that adopted the exemption, and the exemption would not be recognized in the comptroller's value studies.

H.B. 2356 ★★

Author: Cospers

Amends/Enacts: §140.011 Local Government Code

Status: Filed

Status: Passed by House; referred to Senate

Under current law, the state provides assistance to some cities and counties disproportionately affected by tax breaks for disabled veterans. This bill would allow some additional cities and counties to qualify. The definition of “local government” would include: a county with a military installation located wholly or partly in it; an adjacent county; and any city in one of those counties.

H.B. 2524 ★

Author: Fallon

Amends/Enacts: §§11.134, 11.42, 11.43, 11.431, 26.10 and 26.112 Tax Code; §403.302 Government Code

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

H.J.R. 88 ★

Author: Fallon

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 provide a total homestead exemption to the surviving spouse of a first responder killed or fatally injured in the line of duty. It is virtually identical to H.B. 570 and H.J.R. 86 discussed above and to S.B. 15 and S.J.R. 1.

H.B. 2591 ★

Author: Herrero

Amends/Enacts: §60.005 Water Code

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

All property of a navigation district would be exempted from taxation.

H.B. 2133 ★

Author: Rodney Anderson

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 do away with that six-year time limit.

H.B. 2714 ★

Author: Bohac

Amends/Enacts: §11.252 Tax Code

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

This bill would expand the exemption for vehicles leased for non-business uses. The exemption would apply to a vehicle that: 1) was leased to a nonprofit organization exempted from federal income taxes under §501(c)(3) of the Internal Revenue Code; and 2) was used exclusively by the organization for religious, educational or charitable purposes; and 3) would be exempt if the organization owned the vehicle.

H.B. 2877

Author: Sanford

Amends/Enacts: §11.22 Tax Code
Status: Pending in House Ways and Means Committee

H.J.R. 92
Author: Sanford
Amends/Enacts: Art. VIII, §2 Texas Constitution
Status: Pending in House Ways and Means Committee

The exemption that a disabled veteran can apply to any property would increase. For every level of disability, the current amount of the exemption would double.

H.B. 2887
Author: Thierry
Amends/Enacts: §11.13 Tax Code; §403.302 Government Code
Status: Pending in House Ways and Means Committee

H.J.R. 93
Author: Thierry
Amends/Enacts: Art. VIII, §1-b Texas Constitution
Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would give a \$5,000 homestead exemption to every veteran who had served at least three years in the armed services.

H.B. 2973
Author: Button
Amends/Enacts: §11.37 Tax Code
Status: Pending in House Ways and Means Committee

H.J.R. 96
Author: Button
Amends/Enacts: Art. §§1 and 1-u Texas Constitution
Status: Pending in House Ways and Means Committee

Under this proposed constitutional amendment and related bill, a county could grant an exemption for retail inventories. If adopted, however, the exemption would last for only five years. It could be readopted after that. The proposed constitutional amendment would allow the legislature to expand the exemption to other taxing units in the future.

H.B. 3002 ★
Author: Miller
Amends/Enacts: §§11.134, 11.42, 11.43, 11.431, 26.10, 26.1127 and 31.031 Tax Code
Status: Passed by House Ways and Means Committee; pending in full House

H.J.R. 97 ★
Author: Miller
Amends/Enacts: Art VIII, §1-b Texas Constitution
Status: Passed by House Ways and Means Committee; pending in full House

A veteran with a disability rating of at least eighty percent but less than one hundred percent would be entitled to a homestead exemption proportional to his disability rating. If the veteran

died, his surviving spouse would inherit the exemption and could transfer it in a fixed dollar amount to another homestead. The surviving spouse would lose the exemption if she remarried.

H.B. 3230

Author: Phelan

Amends/Enacts: §§312.205 and 313.027 Tax Code

Status: Pending in House Ways and Means Committee

A tax abatement would have to include either: 1) a waiver by the property owner of its right to file an unequal-appraisal protest concerning the property; or 2) a provision for the recapture of lost tax revenue if the appraised value of the property does not reach a specified amount together with penalties and/or interest on the recaptured taxes. This bill is also discussed under the heading, *Miscellaneous*.

H.B. 3264

Author: Rodney Anderson

Amends/Enacts: §§11.13, 11.136, 11.43, 11.43, 11.431, 26.10 and 26.1125 Tax Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

H.J.R. 102

Author: Rodney Anderson

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

Status: Pending in House Ways and Means Committee

A first responder whose homestead was in the political subdivision that employed her would be entitled to a \$10,000 homestead exemption. The exemption would apparently apply to every taxing unit that taxed the homestead. If the first responder were employed by the state, she would be entitled to the exemption no matter where her homestead were located.

A first responder who was totally disabled in the line of duty would receive a total exemption for her homestead. If the first responder died, her surviving spouse or minor children would inherit the exemption, but could not transfer it to another property.

H.B. 3446 ★★

Author: Yvonne Davis

Amends/Enacts: §§11.43, 25.027, 26.15 and 31.12 Tax Code

Status: Passed by House; pending in Senate Finance Committee

In connection with a homestead exemption application, an appraisal district could not require a property owner to provide any identification documents other than a driver's license or state identification certificate unless the district had "reasonable evidence" that the address listed on the identification is not the owner's homestead. The district could not require both spouses to sign the application or require proof of marriage unless the district had reasonable evidence that the couple was not married. The district could not cancel a homestead merely because the identification document provided with the application had expired, even if it were only a temporary document. This bill is also discussed under the headings, *Appraisal Districts and ARBs* and *Collections*.

H.B. 3447

Author: Eddie Rodriguez

Amends/Enacts: §§11.182, 11.1827, 11.436 and 23.21 Tax Code; § Local Government Code

Status: Pending in House Land and Resource Management Committee

A community land trust receiving or seeking an exemption under §11.1827 would no longer have to satisfy several requirements that apply now. It would not have to use its assets for charitable functions or have special language in its charter or bylaws. It would no longer be prohibited from producing profits or private gains. A taxing unit adopting the exemption would no longer have to do so before July 1 of a year, and, once adopted, the exemption would continue until the unit's governing body formally rescinded it. This bill is also discussed under the heading *Appraisals*.

H.B. 3498

Author: White

Amends/Enacts: §11.131 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 105

Author: White

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

Status: Pending in House Ways and Means Committee

Under this proposed constitutional amendment and related bill, the surviving spouse of a severely disabled veteran would receive a total exemption for her homestead, regardless of whether the veteran himself had ever lived there. The surviving spouse would lose the exemption if she remarried. Curiously, the proposals retail the language that would allow a spouse to transfer an exemption from one homestead to another, although the continuing need for such a provision is unclear.

H.B. 3908

Author: Dennis Bonnen

Amends/Enacts: §11.137 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 115

Author: Dennis Bonnen

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

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would create a total exemption for the homestead of a peace officer who lived in a high-crime area. High crime areas would be identified by the Department of Public Safety based on census data.

S.B. 2 ★★★

Author: Bettencourt

Amends/Enacts: §§5.01, 5.02, 5.05, 5.102, 5.13, 6.03, 6.41, 6.414, 6.42, 6.425, 11.145, 22.23, 23.01, 25.19, 25.22, 26.01, 26.04, 26.041, 26.05, 26.06, 26.07, 26.08, 26.16, 31.12, 33.08, 41.03, 41.11, 41.12, 41.44, 41.45, 41.66, 41.71, 41A.01, 41A.03 and 41A.06 Tax Code; §130.016, Education Code; §403.302 Government Code; §281.124 Health and Safety Code; §§111.068 and 141.010 Local Government Code; §§1101.254, 1063.255, 1122.2522,

3828.154 and 8876.152 Special District and Local Laws Code; §§49.107, 49.108 and 49.236 Water Code

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

A property owner could still file a freeport exemption application after the regular deadline, but not later than June 1. The House version generally does not include the Senate's proposed revisions to the tax calendar.

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

S.B. 97

Author: Hall

Amends/Enacts: §§11.432 and 11.4311 Tax Code

Status: Pending in Senate Finance Committee

A disabled veteran applying for the one hundred percent homestead exemption under §11.131 could file his exemption application within one year after the VA approved his disability application. He would receive the exemption retroactively to include all years for which the VA determined him to meet the eligibility requirements. Taxes that the veteran had already paid would be refunded.

S.B. 240

Author: Creighton

Amends/Enacts: §11.132 Tax Code

Status: Pending in Senate Veterans Affairs and Border Security Committee

S.J.R. 23

Author: Creighton

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

Status: Pending in Senate Veterans Affairs and Border Security Committee

This proposed constitutional amendment and related bill concerning a homestead sold by a charitable organization to a disabled veteran for something less than its market value are virtually identical to H.B. 150 and H.J.R. 21 discussed above.

S.B. 418

Author: Watson

Amends/Enacts: §§11.13 and 25.23 Tax Code

Status: Pending in Senate Finance Committee

S.J.R. 29

Author: Watson

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

Status: Pending in Senate Finance Committee

Previously, taxing units other than school districts could grant homestead exemptions measured as a percentage of value, but were not authorized to grant homestead exemptions in flat dollar-amounts. This bill creates that authority, and provides that such a taxing unit could choose whether give every residence a homestead exemption of \$5,000 or up to 20% of the average

market value of homesteads in the taxing unit. If a taxing unit were not already giving a percentage exemption, then the new exemption would take effect automatically in the amount of \$5,000 unless the taxing unit's governing body acted to block it or chose a greater dollar amount. If a taxing unit chose to drop its percentage exemption in favor of the new exemption, a homeowner who was already receiving the percentage exemption would have the option to keep it instead of receiving the new exemption. A taxing unit could repeal a percentage exemption, but only if it substitutes a dollar exemption of more than \$5,000.00.

S.B. 730 ★★

Author: Bettencourt

Amends/Enacts: §11.145 Tax Code

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

The current exemption for small amounts of bpp would be increased from \$500 to \$2,500.

S.B. 946 ★

Author: Bettencourt

Amends/Enacts: §§11.4391, 21.09, 22.23, 41.11 and 41.44 Tax Code

Status: Passed by Senate Finance Committee, pending in full Senate

This bill is virtually identical to H.B. 2228 discussed above. A property owner could not file an application for a Freeport exemption after June 1. This bill is also discussed under the headings Appraisals and Appraisal Districts and ARBs.

S.B. 1030 ★★★

Author: Larry Taylor

Amends/Enacts: §11.211

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

S.J.R. 42 ★★★

Author: Larry Taylor

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

Status: Passed by Senate; 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 for educational purposes. They are virtually identical to H.B. 382 and H.J.R. 34 discussed above.

S.B. 1543

Author: West

Amends/Enacts: §11.13 Tax Code

Status: Pending in Senate Finance Committee

S.J.R. 52

Author: West

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

Status: Pending in Senate Finance Committee

Under this proposed constitutional amendment and related bill, a county could exempt up to fifty percent of the value of the homesteads of physicians who provided free medical care to indigent residents of the county. They are virtually identical to H.B. 820 and H.J.R. 50 discussed above.

S.B. 1809

Author: Huffman

Amends/Enacts: §11.23 Tax Code

Status: Pending in Senate Finance Committee

This bill concerning medical centers in Harris County is virtually identical to H.B. 2999 discussed above.

Appraisals

H.B. 27 ★

Author: Springer

Amends/Enacts: §23.01 Tax Code

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

The new appraisal rules in this bill appear to be addressed to the “dark store” theory currently being advanced by some retailers with respect to their stores. In order to be considered comparables, two properties would have to have the same highest and best use. Deed restrictions intended to prevent competition would not be considered. The latest version of the bill would apparently apply only in appeals, not in ARB proceedings.

H.B. 44

Author: Keough

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. 17

Author: Keough

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. 119

Author: Craddick

Amends/Enacts: 25.12 Tax Code

Status: Pending in House Ways and Means Committee

An appraisal district would ascertain the ownership of mineral interests from recorded real-property records. A district could not require a designated operator to provide information about

the ownership of other separate interests as a condition for listing the interest of the operator separately from those other interests.

H.B. 167

Author: 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. 26

Author: Bell

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

Status: Pending in House Ways and Means Committee

This is another proposed constitutional amendment and related bill that would impose a 5% cap on year-to-year increases in the appraised values of all real properties.

H.B. 182

Author: Bernal

Amends/Enacts: N/A

Status: Pending in House Ways and Means Committee

The comptroller would appoint an advisory committee to study the potential effects of requiring the disclosure of real property sales prices.

H.B. 231

Author: Eddie Rodriguez

Amends/Enacts: §23.51 Tax Code

Status: Pending in House Agriculture and Livestock 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.

H.B. 301

Author: Larson

Amends/Enacts: §23.01 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 30

Author: Larson

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

Status: Pending in House Ways and Means Committee

If the appraised value of a property were lowered as a result of a protest, appeal or agreement in one year, the appraisal district could not raise it more than 5% in the next year. The district would still need substantial evidence in order to raise the value at all. The district could include the value of new improvements added before the second year.

H.B. 376
Author: Metcalf
Amends/Enacts: §23.23 Tax Code
Status: Pending in House Ways and Means Committee

H.J.R. 33
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. 379
Author: Bernal
Amends/Enacts: §12.0013 Property Code
Status: Pending in House Business and Industry Committee

Any deed conveying real property under a contract for sale could not be recorded in the county deed records unless it stated the sales price. A person recording a deed without a sales price would face a fine equal to five percent of the sales price.

H.B. 513 ★★
Author: Sarah Davis
Amends/Enacts: §23.02 Tax Code
Status: Passed by House; referred to Senate

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. 586
Author: Bohac
Amends/Enacts: §23.23 Tax Code
Status: Pending in House Ways and Means Committee

H.J.R. 43
Author: Bell
Amends/Enacts: Art. VIII, §1 Texas Constitution
Status: Pending in House Ways and Means Committee

This is another proposed constitutional amendment and related bill that would impose a 5% cap on year-to-year increases in the appraised values of all real properties.

H.B. 643
Author: Phillips
Amends/Enacts: §§23.51 and 23.52 Tax Code
Status: Filed

Status: Pending in House Ways and Means Committee

Wildlife-management land could qualify for open-space agricultural appraisal without having previously qualified as a result of conventional agricultural uses. Qualifying wildlife-management land would be categorized and appraised as native pasture.

H.B. 934

Author: Zerwas

Amends/Enacts: §§5.01, 5.02, 5.05, 5.102, 5.13, 6.03, 6.41, 6.414, 6.42, 6.425, 23.01, 25.19, 41.44, 41.45 and 41.66, Tax Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

This bill includes some of the same proposals found in the more inclusive S.B. 2 discussed below. Appraisal Districts would be responsible for appraising property in accordance with the Comptroller's appraisal manuals. (The bill does not require the Comptroller to create any new appraisal manuals.) A MAP review or audit would consider whether an appraisal district was following the Comptroller's manuals. This bill is also discussed under the headings *Appraisal Districts and ARBs* and *Miscellaneous*.

H.B. 950

Author: Rodriguez

Amends/Enacts: §23.51 Tax Code

Status: Pending in House Agriculture and Livestock Committee

This bill is virtually identical to S.B. 330 discussed above. It provides that under certain circumstances, land could qualify as open-space agricultural land without having a five-year history of agricultural use.

H.B. 1299 ★

Author: Springer

Amends/Enacts: §§23.52 and 23.73 Tax Code

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

This bill concerning the comptroller's agricultural and timber appraisal manuals is virtually identical to S.B. 594 discussed above.

H.B. 1471

Author: Murr

Amends/Enacts: §23.52 and 23.521 Tax Code

Status: Pending in House Ways and Means Committee

An owner of wildlife-management land could engage in predator control on his land by joining a local predation management organization and allowing the organization (or the Texas A&M AgriLife Extension Service working with the organization) to manage predators on his land. A predation management organization would have to spend at least 70% of its annual budget on predation management activities or give the money to the Service. The Service would work with the Parks and Wildlife Department to define "predation management activities" and to prescribe the forms that a landowner would use to prove his membership in a predation management organization.

H.B. 2532

Author: Rodney Anderson
Amends/Enacts: §§23.215 Tax Code
Status: Pending in House Ways and Means Committee

This bill concerns the special appraisal method that applies to certain low-income housing. In order to qualify, a property would not have to actually be rented to qualifying tenants; it would only have to be owned *for the purpose* of renting to those tenants. An appraisal district would have to use the income approach when appraising a qualifying property. The district would have to use information from the owner's most recent compliance report filed with the TDHCA in order to estimate the property's income and expenses. The district would use the same report to make projections relating to the property's future income potential using the maximum amount of rent permitted by HUD. The district would use the method prescribed regardless of whether the property was under construction or the occupancy had stabilized. The bill also lists some unusual items to be included among a property's expenses, items such as debt service and "expenses incurred in satisfying the requirements of lenders, including reserve requirements."

H.B. 2241
Author: Lozano
Amends/Enacts: §§11.26, 11.261 and 23.23 Tax Code
Status: Pending in House Ways and Means Committee

A homestead subject to a cap on year-to-year increases in appraised value may still be subject to the cap even if the structure is replaced following a casualty loss. But if the replacement structure has a nicer exterior than the old structure, the cap will be lost. This bill would change that. If a damaged structure were replaced with a new structure with a nicer exterior, the cap would stay in place. This bill is also discussed under the heading *Assessment*.

H.B. 2560
Author: Tracy King
Amends/Enacts: §§23.1241 and 23.1242 Tax Code
Status: Pending in House Ways and Means Committee

This bill addresses the current problem with leased heavy equipment. That equipment would no longer be included in a dealer's inventory or taxed based upon lease payments. If a dealer leased a piece of equipment with an option to purchase, a taxable sale would occur upon transfer of possession, and the tax would be based on the total of the lease payments plus any final purchase price.

H.B. 2589
Author: Button
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 2018, the sales-based appraised value of an inventory could not be less than a certain percentage of the inventory's conventional appraised value. That percentage would be ninety percent in 2018 and decline to ten percent by 2026.

H.B. 2621**Author: Darby****Amends/Enacts: Chapter 93 Natural Resources Code****Status: Pending in House Ways and Means Committee**

The Railroad Commission could create “enhanced oil recovery reinvestment zones” to subsidize the production of oil using tertiary recovery methods. A taxing unit could grant a value limitation for an operator’s interest in such a zone. The bill also includes state tax breaks for operators in such zones. An operator would have to invest its tax savings on the development, operation and administration of tertiary recovery methods.

H.B. 3013 ★**Author: Mando Martinez****Amends/Enacts: §§23.524 Tax Code****Status: Passed by House Agriculture and Livestock Committee; pending in full House**

This bill concerning ag appraisals and pest-ridden citrus orchards is virtually identical to S.B. 1459 discussed above.

H.B. 3137**Author: Hefner****Amends/Enacts: §§23.54 and 25.25 Tax Code****Status: Pending in House Ways and Means Committee**

This bill concerns open-space agricultural land transferred among relatives. The new owner would not have to file a new application if he notified the appraisal district within 180 days of the transfer. This bill is also discussed under the heading *Appraisal Districts and ARBs*.

H.B. 3138**Author: Gutierrez****Amends/Enacts: §1.06 Tax Code****Status: Pending in House Ways and Means Committee**

This bill would amend the definition of intangible personal property to include: 1) a brand name; 2) a business service; 3) a business; and 4) income derived from the operation of a business other than income from use of the property.

H.B. 3168 ★**Author: Geren****Amends/Enacts: §§5.05, 6.414, 6.42, 6.61, 21.10, 25.19, 25.25, 41.03, 41.11, 41.44, 41.71, 41A.01, and 41A.03 Tax Code****Status: Passed by House Ways and Means Committee; pending in full House**

If a late application for interstate allocation of value were approved, the property owner’s penalty would no longer be ten percent of the owner’s tax savings. It would be ten percent of the taxes on the allocated value. If the chief appraiser determined that the owner: 1) exercised reasonable diligence in attempting to file the application on time; or 2) substantially complied with the filing requirements, there would be no penalty at all. This bill is also discussed under the headings *Appraisal Districts and ARBs* and *Appraisal District Litigation and Arbitration*.

H.B. 3447

Author: Eddie Rodriguez

Amends/Enacts: §§11.182, 11.1827, 11.436 and 23.21 Tax Code; § Local Government Code

Status: Pending in House Land and Resource Management Committee

When appraising land or a home leased by a community land trust to a low-income family, an appraisal district would have to use the income approach. The district would have to: 1) take into account the use and limitations applicable to the property for purposes of computing the actual rental income from the property and projecting future rental income; and 2) use the same capitalization rate used to appraise other rent-restricted properties. The bill also addresses a home that was acquired from a community land trust and that is on land leased from the trust. When appraising the home the district would have to recognize any “eligible restrictions” on the right of the owner to sell the home. An eligible restriction is one that would: limit the price for which the home could sell; require that the sale be to a buyer who met the trust’s income-eligibility standards; and last for at least forty years. This bill is also discussed under the heading *Exemptions*.

H.B. 3466

Author: Tracy King

Amends/Enacts: §23.1241, 23.1242, 23.1243, 41.44, 41.47 and 42.01 Tax Code

Status: Pending in House Ways and Means Committee

This bill would replace the sales-based tax on inventories of heavy equipment with an actual property tax. The appraised value would be determined by averaging the market values of a dealer’s inventory on the last day of every month in the year preceding the tax year. If an item were part of the inventory for only part of the month, its value would be prorated. Dealers would still have to file monthly declarations and make monthly prepayments.

H.B. 3584

Author: Neave

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. 108

Author: Neave

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

Status: Pending in House Ways and Means Committee

A homeowner whose homestead was rendered uninhabitable by a natural disaster could apply to the appraisal district and receive a tax ceiling on the homestead for five years.

H.B. 3752

Author: Eric Johnson

Amends/Enacts: §§1.07 and 23.215 Tax Code

Status: Pending in House Ways and Means Committee

This bill concerns the special appraisal method that applies to certain low-income housing. In order to qualify, a property would not have to actually be rented to qualifying tenants; it would only have to be *owned for the purpose* of renting to those tenants. The property would have to

be subject to a land use restriction agreement under Chapter 2306, Subchapter DD of the Government Code.

Qualifying low-income housing would be appraised according to a very complicated scheme with special provisions for properties under construction or lease-up. Such a property's value would be based on its anticipated income and expenses for its first year of stabilized occupancy and reduced in proportion to its level of completeness. After its first year of stabilized operations, the appraisals of the property in future years would be based on year-to-year changes in its net income. A rollback tax would apply to a property when it sold if it were no longer subject to land use restriction agreement. The rollback tax would be based on the difference between the appraised value of the property as restricted and its sales price during the three years prior to the sale. The bill also includes provisions limiting the use of an effected low-income property in unequal-appraisal claims.

H.B. 3850

Author: Zerwas

Amends/Enacts: §23.1241 and 23.1242 Tax Code

Status: Pending in House Appropriations Committee

Current law has been interpreted by some courts to require the taxation of pipeline compressors and other leased heavy equipment at arbitrary values far below its actual market values. This law would limit the sales-based inventory tax to heavy equipment held for retail *sale*. A dealer's heavy equipment inventory for a year would not include a leased item or an item that: 1) was included in the dealer's heavy equipment inventory on January 1 of the preceding year and was not sold by the dealer in that year; and 2) for thirty days or more during the preceding year was leased or rented by the dealer.

S.B. 2 ★★★

Author: Bettencourt

Amends/Enacts: §§5.01, 5.02, 5.05, 5.102, 5.13, 6.03, 6.41, 6.414, 6.42, 6.425, 11.145, 22.23, 23.01, 25.19, 25.22, 26.01, 26.04, 26.041, 26.05, 26.06, 26.07, 26.08, 26.16, 31.12, 33.08, 41.03, 41.11, 41.12, 41.44, 41.45, 41.66, 41.71, 41A.01, 41A.03 and 41A.06 Tax Code; §130.016, Education Code; §403.302 Government Code; §281.124 Health and Safety Code; §141.010 Local Government Code; §§1101.254, 1063.255, 1122.2522, 3828.154 and 8876.152 Special District and Local Laws Code; §§49.107, 49.108 and 49.236 Water Code

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

Appraisal Districts would be responsible for appraising property in accordance with the Comptroller's appraisal manuals. (The bill does not require the Comptroller to create any new appraisal manuals.) A MAP review or audit would consider whether an appraisal district was following the Comptroller's manuals. The House version omits this provision.

The deadline for filing renditions would be changed to April 1. A property owner could request an extension of that deadline until May 1, and a further fifteen-day extension would be available for good cause. The rendition deadline for regulated utility and transportation property would be April 30. April 15 would be the target date for an appraisal district to deliver all of its notices of appraised value. The date for filing a request for allocation of value for property that travels between states would be changed to April 1 (or, for new property, thirty days after the delivery of a notice of appraised value), and could be extended by thirty days for good cause.

The House version generally does not include the Senate's proposed revisions to the tax calendar. The House would end the requirement that appraisal notices include estimates of taxes. Instead, the appraisal district would mail or e-mail every property owner a notice in August explaining how the property owner could use the district's website to estimate her taxes.

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

S.B. 172

Author: Nichols

Amends/Enacts: §§23.23 and 42.26 Tax Code

Status: Pending in Senate Finance Committee

S.J.R. 19

Author: Nichols

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

Status: Pending in Senate Finance Committee

Under this proposed constitutional amendment and related bill, the cap on increases in the appraised values of homesteads would be reduced to 5% per year, and the legislature would have the power to impose an even lower cap. The commissioners of a county could hold a county-wide election asking voters to raise the cap on year-to-year increases in homestead values. The voter-approved cap could be as high as 10% per year and would apply to all taxing units in the county. A cap approved by the voters would remain in effect until it was repealed or amended by the voters in another election. Elections in a county would have to be at least ten years apart.

S.B. 175

Author: Nichols

Amends/Enacts: §23.523 Tax Code

Status: Pending in Senate Finance Committee

This bill concerning the open-space agricultural appraisal of land owned by a member of the armed services is virtually identical to H.B. 777 discussed above.

S.B. 330 ★★

Author: Rodriguez

Amends/Enacts: §23.51 Tax Code

Status: Passed by Senate; pending in House Agriculture and Livestock Committee

Under certain circumstances, land could qualify as open-space agricultural land without having a five-year history of agricultural use. Land that met the current-use requirements and had been used principally for agriculture during the preceding year could qualify if it were owned or managed by: 1) a veteran; or 2) an individual who was less than thirty-five and had not served as the principal operator of a farm or ranch for any period of more than 10 consecutive years.

S.B. 376

Author: Creighton

Amends/Enacts: §23.23 Tax Code

Status: Filed

The cap on year-to-year increases in homestead values would be cut to 5% for homesteads appraised at more than \$1 million and 3% for other homesteads.

S.B. 403

Author: Kolkhorst

Amends/Enacts: §23.04 Tax Code

Status: Pending in Senate Finance Committee

If a commercial or residential real property had its value reduced by 15% or more by the ARB or in an appeal from an ARB order, the appraisal district could not raise that value during the two following years. The district could adjust a capped value to account for a new improvement. A property with a capped value could not be used as a comparable in the context of an unequal-appraisal claim.

S.B. 676

Author: Craddick

Amends/Enacts: 25.12 Tax Code

Status: Pending in Senate Finance Committee

Under this bill (virtually identical to H.B. 119 discussed above), an appraisal district would ascertain the ownership of mineral interests from recorded real-property records.

S.B. 700

Author: Zaffirini

Amends/Enacts: §23.51 Tax Code

Status: Pending in Senate Finance Committee

This bill concerning open-space agricultural appraisals and “uncommon agricultural uses” is virtually identical to H.B. 231 discussed above.

S.B. 717 ★★★

Author: Van Taylor

Amends/Enacts: §23.02 Tax Code

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

An appraisal district would reappraise property damaged in a natural disaster automatically without any having taxing unit having to authorize the reappraisal. This bill is virtually identical to H.B. 513 discussed above.

S.B. 946 ★★

Author: Bettencourt

Amends/Enacts: §§11.4391, 21.09, 22.23, 41.11 and 41.44 Tax Code

Status: Passed by Senate as substituted, received by House

This bill concerning the time for filing renditions and applications for interstate allocation is virtually identical to H.B. 2228 discussed above. This bill is also discussed under the headings *Exemptions* and *Appraisal Districts and ARBs*.

S.B. 972 ★★★

Author: Zaffirini

Amends/Enacts: §23.025 Tax Code

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

If a residence owned and occupied by a property owner is completely destroyed by a casualty, he could require the appraisal district to reappraise the property at its post-casualty value. The owner would have 180 days following the casualty in which to notify the district. Taxes for the year in which the casualty occurred would be prorated based on the pre-casualty value, the post-casualty value and the date of the casualty.

S.B. 1006 ★★★

Author: Nichols

Amends/Enacts: §23.51 Tax Code

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

Land that was appraised as open-space agricultural land in 2017 because it was an ecological laboratory could continue to receive agricultural appraisals in the future, but ecological-laboratory land that did not receive that benefit in 2017 could not receive it in any future year.

S.B. 1209

Author: Uresti

Amends/Enacts: §23.52 and 23.521 Tax Code

Status: Pending in Senate Finance Committee

This bill concerning predator control on wildlife-management land is virtually identical to H.B. 1471 discussed above.

S.B. 1275

Author: Van Taylor

Amends/Enacts: §§1.07 and 23.215 Tax Code

Status: Pending in Senate Finance Committee

This bill concerning the appraisal of low-income housing is virtually identical H.B. 3752 discussed above

S.B. 1514 ★★★

Author: Estes

Amends/Enacts: §23.524 Tax Code

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

S.J.R. 51 ★★★

Author: Estes

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

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

Land would not cease to qualify for appraisal as open-space agricultural land solely because a lessee began conducting oil and gas operations over which the Railroad Commission had jurisdiction on the land if the land otherwise continued to qualify.

Appraisal Districts and ARBs

H.B. 85

Author: Keough

Amends/Enacts: §§1.15, 5.041, 5.042, 6.035, 6.05, 6.0501, 6.0502, 6.41, 6.411, 22.28 and 42.21 Tax Code; §52.092 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.

H.B. 139

Author: Bell

Amends/Enacts: §41.46 Tax Code

Status: Pending in House Ways and Means Committee

A property owner filing a notice of protest could include a request that the notice of his ARB hearing be sent to him by certified mail. The ARB could require the property owner to pay the cost of the postage.

H.B. 495

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 Tax Assessor-Collector. One member would be elected from each Commissioner's precinct in the county, and they would serve two-year terms. 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. 566

Author: Keough

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; §52.092 Election Code

Status: Pending in House Ways and Means Committee

Each county would have five ARB members who would be elected. Members could appoint auxiliary members to help conduct hearings. An ARB would select its own officers.

H.B. 934

Author: Zerwas

Amends/Enacts: §§5.01, 5.02, 5.05, 5.102, 5.13, 6.03, 6.41, 6.414, 6.42, 6.425, 23.01, 25.19, 41.44, 41.45 and 41.66, Tax Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

This bill includes some of the same proposals found in the more inclusive S.B. 2 discussed below. An appraisal district's directors would have to be elected officials of the county or other local governments.

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 in a county with 120,000 or more people would have to create "special panels" for the following types of properties: 1) commercial; 2) utilities; 3) industrial and manufacturing; and 4) multifamily residential. Members of the special panels would have to have special qualifications such as: a law degree; an MBA; a CPA; an MAI or various other types of appraisal designations; or at least 20 years' experience in property tax appraisal or consulting. 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.

This bill is also discussed under the headings: *Appraisals* and *Miscellaneous*.

H.B. 1582

Author: Tracy King

Amends/Enacts: §6.41 Tax Code

Status: Pending in House Way and Means Committee

Judges would appoint ARB members in only those counties with 350,000 or more people.

H.B. 1660

Author: Phelan

Amends/Enacts: §25.25 Tax Code

Status: Pending in House Way 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. 2227 ★

Author: Murphy

Amends/Enacts: §25.25 Tax Code

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

This bill granting a chief appraiser the authority to correct erroneous denials of certain exemptions at any time is virtually identical to S.B. 945 discussed above.

H.B. 2241

Author: Lozano

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

Status: Pending in House Ways and Means Committee

A homestead subject to tax freeze may still be subject to the cap even if the structure is replaced following a casualty loss. But if the replacement structure has a nicer exterior than the

old structure, the freeze will be lost. This bill would change that. If a damaged structure were replaced with a new structure with a nicer exterior, the freeze would stay in place. This bill is also discussed under the heading *Appraisals*.

H.B. 2265

Author: Munoz

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 6.15 Tax Code; § 52.092 Education Code; § 172.024 Election Code

Status: Pending in House Way and Means Committee

Under this bill, an appraisal district's board of directors would consist of four elected members and the County Tax Assessor-Collector. It is virtually identical to H.B. 495 discussed above.

H.B. 2868

Author: Hefner

Amends/Enacts: §§6.037, 6.06 and 6.062 Tax Code

Status: Pending in House Way and Means Committee

An appraisal district's budget would have to be affirmatively approved by a majority of the district's voting taxing units. If it did not receive that approval within thirty days, it would not take effect. The district's directors would have to adopt a different budget and submit it to the taxing units for their consideration.

H.B. 2906

Author: Raymond

Amends/Enacts: §25.25 Tax Code

Status: Pending in House Way and Means Committee

On the motion of a property owner, an ARB could change an appraisal roll for the current tax year and for either of the two preceding tax years to correct a bpp value that was the result of an error or omission in a rendition or property report. The owner could not use this tool if it had not filed a timely rendition, if it has already used the protest process or if it had agreed to the value in question. A chief appraiser could not file a similar motion.

H.B. 2946

Author: Sanford

Amends/Enacts: §25.25 Tax Code

Status: Pending in House Ways and Means Committee

An ARB could change appraisal rolls for up to five past years to correct an error in the square footage of a property. The bill would really be a nullity because appraisal rolls do not include the square footages of properties.

H.B. 3137

Author: Hefner

Amends/Enacts: §§23.54 and 25.25 Tax Code

Status: Pending in House Way and Means Committee

This bill concerns open-space agricultural land transferred among relatives. If land lost its ag appraisal as a result of the new owner failing to file an application, the owner could file a motion asking the ARB to change the appraisal roll and grant the ag appraisal. The ARB could grant

the ag appraisal for up to two past years, but the owner would owe a penalty equal to ten percent of his tax savings. This bill is also discussed under the heading *Appraisals*.

H.B. 3168 ★

Author: Geren

Amends/Enacts: §§5.05, 6.414, 6.42, 6.61, 21.10, 25.19, 25.25, 41.03, 41.11, 41.44, 41.71, 41A.01, and 41A.03 Tax Code

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

An ARB would have to comply with “procedural requirements” in the ARB Manual. There would be no more auxiliary ARB members. In every county, the local administrative district judge would select the ARB’s chairperson and secretary. ARB’s and panels would make their decisions by majority vote; no super-majorities could be required. An ARB could not hold a hearing on a Sunday. The bill is far from clear, but it includes some limitation on hearings held after 7:00 pm on weekdays.

A one-third over-appraisal motion under §25.25(d) could raise an unequal-appraisal claim.

All notices of appraised value would have to go out by April 1 or as soon thereafter as practicable. One subsection of §41.44 says that a protest concerning a homestead must be filed before May 1, while another subsection takes that back and says that the real deadline is June 1. This bill would simplify that law and state simply that June 1 is the deadline.

Taxing units could no longer file challenges concerning appraised values.

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

H.B. 3446 ★★

Author: Yvonne Davis

Amends/Enacts: §§11.43, 25.027, 26.15 and 31.12 Tax Code

Status: Passed by House; pending in Senate Finance Committee

Current law prohibits an appraisal district from posting certain information on the Internet, including floor plans of homes and ages of property owners. This bill would allow that information would allow that information to be available online as part of a non-searchable appraisal roll or tax roll dataset available for download only. This bill is also discussed under the headings, *Exemptions* and *Collections*.

H.B. 3557 ★★

Author: Murphy

Amends/Enacts: §§41.45, 41A.061 and 41A.07 Tax Code

Status: Passed by House; pending in Senate Finance Committee

This bill concerning rules to govern the exchange and presentation of evidence at ARB hearings is virtually identical to S.B. 1286 discussed below. This bill is also discussed under the heading *Appraisal District litigation and Arbitration*.

H.B. 3758

Author: Bell

Amends/Enacts: §41.43 Tax Code

Status: Pending in House Way and Means Committee

Current law places a tougher burden of proof on an appraisal district in an ARB hearing under certain circumstances involving a property owner who has his own appraisal. The law applies only if the property is appraised at \$1 million or less on the appraisal records. This bill would remove that condition. The clear-and-convincing-evidence standard could apply regardless of the property's value.

H.B. 3760

Author: Bell

Amends/Enacts: §41.411 Tax Code

Status: Pending in House Way and Means Committee

This bill concerns a property owner who files a lack-of-notice protest alleging that the ARB failed to send him notice of his hearing. If the owner claims that he did not receive the notice, a presumption would arise that the notice had not been sent. In order to rebut that presumption, the ARB would have to present clear and convincing evidence to itself that the notice was sent to the property owner at the correct address.

H.B. 3774

Author: Darby

Amends/Enacts: §§25.25, 41.47 and 41.66 Tax Code

Status: Pending in House Way and Means Committee

In an ARB hearing, the property owner could choose whether to present her case before or after the appraisal district presented its case. An ARB could not set a value for a property higher than the value on the appraisal records when the hearing began, unless both parties agreed.

H.B. 4152

Author: Gutierrez

Amends/Enacts: 41.43 Tax Code

Status: Filed

Status: Pending in House Way and Means Committee

In a hearing on an excessive-value or unequal-value protest, the appraisal district would have to identify the method it had used to appraise the property and provide specific details about the appraisal. The details required would depend on the method used. If the appraisal district failed to provide the detailed evidence required, the protest would be determined in favor of the property owner.

S. B. 2 ★★★

Author: Bettencourt

Amends/Enacts: §§5.01, 5.02, 5.05, 5.102, 5.13, 6.03, 6.15, 6.41, 6.414, 6.42, 6.425, 11.145, 22.23, 23.01, 25.19, 25.22, 26.01, 26.04, 26.041, 26.05, 26.06, 26.07, 26.08, 26.16, 31.12, 33.08, 41.03, 41.11, 41.12, 41.44, 41.45, 41.66, 41.71, 41A.01, 41A.03 and 41A.06 Tax Code; §130.016, Education Code; §403.302 Government Code; §281.124 Health and Safety Code; §141.010 Local Government Code; §§1101.254, 1063.255, 1122.2522, 3828.154 and 8876.152 Special District and Local Laws Code; §§49.107, 49.108 and 49.236 Water Code

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

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 would shorten the waiting period to *three* years.

The rule prohibiting a chief appraiser and a director from communicating *ex parte* about appraisals would 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 would have to be in writing.

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 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. The House version does not include this provision.

An ARB in a county with 120,000 or more people would have to create "special panels" for the following types of properties: 1) commercial; 2) utilities; 3) industrial and manufacturing; and 4) multifamily residential. Members of the special panels would have to have special qualifications such as: a law degree; an MBA; a CPA; an MAI; or various other types of appraisal designations; or at least 20 years' experience in property tax appraisal or consulting. If an ARB did not include enough members qualified to serve on a special panel, the empty seats could be filled by any member with a bachelor's degree. 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. An owner of industrial property, for example, could not be forced to go before a specialty panel against its will. The bill says something about the full ARB accepting a panel's recommendation, but it is not clear. It might mean that a panel's recommendation would not require the approval of the full ARB. Under the House version, special panels would be required in only counties with 1 million or more people, and only properties appraised at \$50 million or more would qualify for special panels.

April 15 would be the target date for an appraisal district to deliver all of its notices of appraised value. The target date for an appraisal district submitting its appraisal records to the ARB would be May 1. The district would certify value estimates to taxing units by May 15. Most types of protests would have to be filed by May 15 or within 30 days following the district's delivery of appraisal notices. Homestead protests, however, could be filed any time before June 1. The ARB would approve the appraisal records by July 5. The district would certify appraisal rolls to taxing units by July 10.

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

The House version generally does not include the Senate's proposed revisions to the tax calendar. The House would require an appraisal district to maintain an online database of property tax information on all properties.

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

S.B. 348

Author: Watson
Amends/Enacts: §6.051 Tax Code
Status: Pending in Senate Finance Committee

An appraisal district planning to buy, build or lease property for its offices would no longer need the approval of its voting taxing units. Neither would it need the taxing units' approval in order to convey real property.

S.B. 447

Author: Burton
Amends/Enacts: §§1.15, 5.041, 5.042, 5.103, 6.035, 6.05, 6.0501, 6.052, 6.41, 6.411, 6.412, 6.42, 22.28, 41.66 and 42.21 Tax Code; §52.092 Election Code; §1151.164 Occupations Code
Status: Pending in Senate Finance Committee

Chief appraisers would be elected and would serve two-year terms. They would appoint ARB members and select ARB officers.

S.B. 669 ★★★★★

Author: Nelson
Amends/Enacts: §§ 5.041, 5.043, 5.103, 5.104, 6.412, 6.42, 25.25, 42.45, 41.46, 41.461, 41.47, 41.66, 41.67, 41A.06, 41A.061 and 41A.09 Tax Code
Status: Passed by Senate; substitute passed by House; Senate will consider House version

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 House version would allow the Comptroller to charge people who were not 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. 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 the 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' 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.

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 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.

If an ARB used panels to conduct hearings, a panel's decision would be final for a protest involving "the appraised value of the property" or for a motion to correct an appraisal roll. A panel's ruling on another issue (e.g., an exemption) would still require the approval of the full ARB.

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, but the order and related documents could be hand delivered.

Under the House version, an agreement to exchange documents and information electronically could include an appraisal district's evidence provided to a property owner in advance of a hearing. 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. The House version would prohibit an appraisal district from charging for copies of its evidence, but it would allow the district to provide the evidence electronically. At the owner's request, however, the district would have to provide the evidence by mail. The House version omits language about ARB panels making final decisions. Under the House version, 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. Under the House version, an ARB could change appraisal rolls for up to five past years to correct an error in the square footage of a property. The House version would special ARB panels in counties with 1 million or more people.

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

S.B. 804

Author: Van Taylor

Amends/Enacts: §6.412 Tax Code

Status: Pending in Senate Finance Committee

Close relatives could not both serve on the ARB at the same time, even if one were an auxiliary ARB member.

S.B. 870 ★

Author: Bettencourt

Amends/Enacts: §41.71 Tax Code

Status: Passed by Senate Finance Committee, pending in full Senate

An ARB could not schedule a hearing on a Sunday.

S.B. 946 ★

Author: Bettencourt

Amends/Enacts: §§11.4391, 21.09, 22.23, 41.11 and 41.44 Tax Code

Status: Passed by Senate Finance Committee, pending in full Senate

This bill is virtually identical to H.B. 2228 discussed above. Protests would have to be filed before May 15 or thirty days after the delivery of appraisal notices, whichever were later. There would no longer be a separate deadline for protests concerning homesteads. This bill is also discussed under the headings Exemptions and Appraisals.

S.B. 971

Author: Zaffirini

Amends/Enacts: §6.412 Tax Code

Status: Pending in Senate Finance Committee

In a county with fewer than 100,000 people, an ARB member who would otherwise be barred from reappointment by term limits could be reappointed if there were no one else willing to take the job.

S.B. 987

Author: Buckingham

Amends/Enacts: §25.25 Tax Code

Status: Pending in Senate Finance 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. This bill is virtually identical to H.B. 1660 discussed above.

S.B. 1812 ★★

Author: Van Taylor

Amends/Enacts: §305.026 Government Code

Status: Passed by Senate; pending in House General Investigating and Ethics Committee

An appraisal district could not use public money to directly or indirectly influence the legislature. The bill would not prevent an appraisal district's employee from providing information to a legislator or appearing before a legislative committee at the request of the committee or a legislator.

S.B. 1847 ★★

Author: Bettencourt

Amends/Enacts: §25.25 Tax Code

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

On the motion of a property owner, an ARB could change an appraisal roll to correct a bpp value that was the result of a rendition error. The bill is virtually identical to H.B. 2906 discussed above.

S.B. 1906 ★★

Author: Bettencourt

Amends/Enacts: §41.03 Tax Code

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

Taxing units could no longer file challenges concerning appraised values.

S.B. 1907

Author: Bettencourt

Amends/Enacts: §6.42 Tax Code

Status: Pending in Senate Finance Committee

An appraisal district's directors would no longer choose the ARB's officers. The ARB members would choose the officers.

S.B. 2061

Author: Kolkhorst

Amends/Enacts: §25.25 Tax Code

Status: Pending in Senate Finance Committee

This bill would dramatically expand the scope of motions under §25.25(d). The ARB could correct any excessive value no matter how small the excess. The ARB could also correct an unequal appraisal, but it could consider only the unequal-appraisal analysis based on comparing appraised values.

Appraisal District Litigation and Arbitration

H.B. 540

Author: Metcalf

Amends/Enacts: §42.29 Tax Code

Status: Pending in House Ways and Means Committee

This bill concerns a property owner who, for the third year in a row, prevailed in an appeal concerning the value of her homestead. The owner could recover her attorneys' fees without any limitation if her recovery of attorneys' fees had been limited in the two preceding years.

H.B. 1248

Author: Lucio

Amends/Enacts: §42.228 Tax Code

Status: Pending in House Ways and Means Committee

A property owner filing an appeal in court could opt to have the case handled under an alternative and more expeditious set of procedures that would give the property owner strategic advantages. The appraisal district's right to conduct pretrial discovery would be seriously curtailed. The property owner would have to produce some documents, including income and expense information and any recent appraisals in its possession. Short depositions would be allowed, but the property owner or owner's representative could only be deposed in the county of the owner's residence. The district could file a motion asking the court to allow additional discovery, but it would have to show that additional information was necessary for an expert to form a reliable opinion of the market value of the subject property. If the issue were something like an exemption, agricultural use or taxable situs, the district would be almost completely cut off from relevant evidence.

H.B. 1783

Author: Faircloth

Amends/Enacts: §§41A.03 and 41A.06 Tax Code

Status: Pending in House Ways and Means committee

The costs for arbitrations related to some homesteads would be reduced. If the ARB's order set the value of a homestead at \$250,000 or less the arbitration deposit would be \$250. If the value were greater than \$250,000 but less than \$500,000, the deposit would be \$350. In each instance, the arbitrator's fee would be amount of the deposit less \$50.

H.B. 1830 ★

Author: Anchia

Amends/Enacts: §§42.42 and 42.43 Tax Code

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

This bill would make it clear that a settlement of an appeal under Chapter 42 between an appraisal district and a property owner could waive penalties and interest that the property owner might owe on additional taxes due or interest that taxing units might owe on tax refunds.

H.B. 2043 ★

Author: Springer

Amends/Enacts: §42.23 Tax Code

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

In a judicial appeal involving real property appraised at \$1 million or more, an appraisal district's employee could not testify about the property's value unless the employee were licensed or certified as an appraiser by the TALCB.

H.B. 2653 ★

Author: Geren

Amends/Enacts: §§42.01 and 42.231

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

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. 3168 ★

Author: Geren

Amends/Enacts: §§5.05, 6.414, 6.42, 6.61, 21.10, 25.19, 25.25, 41.03, 41.11, 41.44, 41.71, 41A.01, and 41A.03 Tax Code

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

A property owner could file suit to compel an appraisal district, a chief appraiser or an ARB to follow some “procedural requirement.” The owner would first have to send a written warning to the district, chief appraiser or ARB and give that party an opportunity to comply with the procedural requirement. There would apparently be no statute of limitations for such a lawsuit. Discovery would not be allowed. A hearing could be set at the property owner’s request before the defendant(s) had even filed an answer. The property owner would merely have to prove that the defendant had not followed some procedural requirement. He would not have to show that the alleged omission had affected his taxes or otherwise caused him harm. The court could order the defendant to comply with the requirement and even award attorney’s fees to the property owner, but not to the defendant. No appeals to higher courts would be allowed.

An ARB’s order determining a §25.25(d) motion could be appealed through arbitration. A property owner would have sixty days after receiving the ARB’s order in which to file for arbitration. Two properties would be contiguous and could be arbitrated for a single fee if they were separated by a road, railroad track, river or stream.

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

H.B 3191

Author: Uresti

Amends/Enacts: §§41A.04, 41A.06 and 41A.07 Tax Code

Status: Pending in House Ways and Means Committee

A property owner requesting binding arbitration could specify that he wanted an arbitrator from the county in which his property was located. If he did so, the parties could attempt to agree on an arbitrator from that county. If they could not agree, the comptroller would select an arbitrator from that county.

At the property owner’s request, an arbitration would have to be conducted in person. An arbitration could not be conducted in an appraisal district’s office.

H.B. 3557 ★★

Author: Murphy

Amends/Enacts: §§41.45, 41A.061 and 41A.07 Tax Code

Status: Passed by House; pending in Senate Finance Committee

Parties to an arbitration would no longer be given the opportunity to select their arbitrator; the comptroller would simply appoint one. The comptroller would have to appoint an arbitrator who

lived in the county or, if there were no arbitrator in the county, an arbitrator who lived within fifty miles of the county. An arbitrator could not handle cases from a county if, during the preceding five years, she had: 1) acted as a tax consultant in the county; 2) been an officer or employee of that county's appraisal district; or 3) served on that county's ARB. The comptroller could refuse to assign cases to an arbitrator for good cause including repeated bias or misconduct by the arbitrator. An arbitrator could also be removed from the comptroller's registry for repeated bias or misconduct. This bill is also discussed under the heading *Appraisal Districts and ARBs*.

H.B. 3918

Author: Burrows

Amends/Enacts: §42.23 Tax Code

Status: Pending in House Ways and Means Committee

In any judicial appeal under Chapter 42, the appraisal district would have the burden of proof. If the district failed to provide a preponderance of the evidence, the appeal would be determined in favor of the property owner.

S.B. 2 ★★★

Author: Bettencourt

Amends/Enacts: §§5.01, 5.02, 5.05, 5.102, 5.13, 6.03, 6.41, 6.414, 6.42, 6.425, 11.145, 22.23, 23.01, 25.19, 25.22, 26.01, 26.04, 26.041, 26.05, 26.06, 26.07, 26.08, 26.16, 31.12, 33.08, 41.03, 41.11, 41.12, 41.44, 41.45, 41.66, 41.71, 41A.01, 41A.03 and 41A.06 Tax Code; §§45.105 and 130.016, Education Code; §403.302 Government Code; §281.124 Health and Safety Code; §141.010 Local Government Code; §§1101.254, 1063.255, 1122.2522, 3828.154 and 8876.152 Special District and Local Laws Code; §§49.107, 49.108 and 49.236 Water Code

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

A property appraised at up to \$5 million could be the subject of an appeal through binding arbitration. If the property were appraised at more than \$3 million and were not the owner's homestead, the deposit required for the arbitration would be \$1,250 and the arbitrator's fee would be \$1,200. The House version does not include this provision. This bill is also discussed under the headings: *Exemptions; Appraisals; Appraisal Districts and ARBs; Assessment; and Miscellaneous*.

S.B. 521 ★★★

Author: Creighton

Amends/Enacts: §42.23 Tax Code

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

In order to testify in an appeal about the value of real property, an appraisal district's employee would have to be a real-estate appraiser licensed or certified by the Texas Appraiser Licensing and Certification Board.

S.B. 669 ★★★★★

Author: Nelson

Amends/Enacts: §§ 5.041, 5.043, 5.103, 5.104, 6.412, 6.42, 25.25, 42.45, 41.46, 41.461, 41.47, 41.66, 41.67, 41A.06, 41A.061 and 41A.09 Tax Code

Status: Passed by Senate; substitute passed by House; Senate will consider House version

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. An arbitrator would also have to complete the Comptroller's training course for ARB members, but it isn't clear 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.

The House version, like S.B. 2, would allow binding arbitration for properties appraised at up to \$5 million dollars.

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

S.B. 931

Author: Seliger

Amends/Enacts: §§42.42 and 42.43 Tax Code

Status: Pending in Senate Finance Committee

This bill would make it clear that a settlement of an appeal under Chapter 42 between an appraisal district and a property owner could waive penalties and interest that the property owner might owe on additional taxes due or interest that taxing units might owe on tax refunds. It is virtually identical to H.B. 1830 discussed above.

S.B. 1749

Author: Hinojosa

Amends/Enacts: §42.43 Tax Code

Status: Pending in Senate Finance Committee

Current law provides that a property owner who is entitled to a tax refund following a judicial appeal is entitled to interest at the usurious rate of 9.5%. Under this bill, a court could rule that the property owner would not receive interest on the entire amount of its refund. At a minimum, however the owner would be entitled to interest on the difference between the minimum amount the taxpayer was required to pay under §42.08(b) and the amount of taxes for which the property owner was ultimately liable.

S.B. 1848 ★★

Author: Bettencourt

Amends/Enacts: §42.29 Tax Code

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

Under current law, a property owner who prevails in a judicial appeal may not recover more in attorneys' fees than it saves in taxes. That limitation would go away. A property owner could not recover attorneys' fees in excess of the greater of: 1) \$27,000; or 2) twenty percent of its tax savings, but not to exceed \$153,000. (A property owner who saved \$15,000 in taxes could recover \$27,000 in attorneys' fees.) The \$27,000 and \$153,000 figures would be adjusted biennially based on changes in the consumer price index.

S.B. 1908

Author: Bettencourt
Amends/Enacts: §41A.07 Tax Code
Status: Pending in Senate Finance Committee

This bill would essentially give a property owner the right to choose an arbitrator for a binding arbitration. The property owner would choose the arbitrator. If the appraisal district disapproved of the choice, its only option would be to file a formal complaint with the comptroller and allege that the arbitrator was unqualified. If the comptroller found that the arbitrator was unqualified, he would be removed from the comptroller's registry. If he were not removed from the registry, he would be appointed to conduct the arbitration.

S.B. 2207
Author: Hancock
Amends/Enacts: §§42.01 and 42.27 Tax Code
Status: Pending in Senate Finance Committee

A property owner could raise a special, limited appeal to have a court determine whether the appraisal district had violated §23.01(e). That section requires an appraisal district to have "substantial evidence" to support increasing a value that was lowered in the preceding year. If the district showed substantial evidence, the appeal would be dismissed. If the district did not have substantial evidence, the court would reduce the property's value to the value from the preceding year. No discovery would be allowed in the limited appeal.

Assessment

H.B. 320
Author: Canales
Amends/Enacts: §23.55 Tax Code
Status: Pending in House Agriculture and Livestock Committee

Rollbacks taxes on open-space agricultural land would recapture lost taxes for just two years instead of five.

H.B. 345
Author: Canales
Amends/Enacts: §§26.012, 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 1.05. If, however, the inflation rate (based on the Consumer Price Index) were greater than 5%, the figure would be the lesser of: 1.08 or a figure reflecting the inflation rate, e.g., if the inflation rate were 7%, the figure would be 1.07.

H.B. 390
Author: Howard
Amends/Enacts: §26.08 Tax Code
Status: Pending in House Ways and Means 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 not apply to a district that had gone ten years without adopting a tax rate equal to or higher than its alternative rollback rate. The comptroller would study the effects of the bill.

H.B. 801

Author: Murphy

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 Agriculture and Livestock Committee

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

H.B. 1017

Author: Perez

Amends/Enacts: §26.04 and 26.041 Tax Code

Status: Pending in House Ways and Means Committee

If the legislature changed the rollback rate calculation in this session or in the future, a municipality's governing body could choose to have the rate calculated according to the law that was in effect on January 1, 2016.

H.B. 1144

Author: Davis, Sarah

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, 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

Any taxing unit would automatically have to hold an election any time its governing body adopted a tax rate that exceeded its rollback tax rate.

H.B. 1146

Author: Davis, Sarah

Amends/Enacts: §§26.012, 26.04, 26.041, 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, 49.236 and 49.2361 Water Code

Status: Pending in House Ways and Means Committee

Rollback tax rates would be limited by the rate of inflation. A taxing unit's rollback tax rate would be calculated by multiplying the units effective M&O rate by 1 plus the inflation rate and adding the unit's current debt rate. The inflation rate would be determined by the comptroller and based on the consumer price index.

Additionally, any taxing unit would automatically have to hold an election any time its governing body adopted a tax rate that exceeded its rollback tax rate.

H.B. 1147

Author: Davis, Sarah

Amends/Enacts: §§26.012, 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

Rollback tax rates would be limited by the rate of inflation. A taxing unit's rollback tax rate would be calculated by multiplying the units effective M&O rate by 1 plus the inflation rate and adding the unit's current debt rate. The inflation rate would be determined by the comptroller and based on the consumer price index.

H.B. 1165

Author: Paul

Amends/Enacts: §§26.04, 26.041, 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 and 49.236 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 1.06 and adding the unit's debt rate. A taxing unit could substitute a figure of 1.08 if any part of the unit were in a declared disaster area.

Additionally, any taxing unit would automatically have to hold an election any time its governing body adopted a tax rate that exceeded its rollback tax rate.

H.B. 1211

Author: Phillips

Amends/Enacts: §23.55 Tax Code

Status: Pending in House Ways and Means Committee

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

H.B. 1454 ★

Author: Rinaldi

Amends/Enacts: §31.01 Tax Code

Status: Passed House Ways and Means Committee, pending before full House

If a school board adopted a tax rate that exceeded the school district's rollback tax rate and the district sent out tax bills before holding its ratification election, each tax bill would have to include a notice about the election and state the maximum amount of taxes that the district could assess on the property if the adopted rate were not ratified.

H.B. 1496 ★

Author: Greg Bonnen

Amends/Enacts: §26.08 Tax Code

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

A school districts tax-rate election would have to be held on the first uniform election date that allowed sufficient time for the district to comply with other requirements of law. The committee substitute would repeal §3.005(d) of the Election Code, which requires a school board to order an election at least thirty days before the election date.

H.B. 1662

Author: Phelan

Amends/Enacts: §§1.07, 23.20, 23.46, 23.47, 23.52, 23.55, 23.551, 23.58, 23.73, 23.76, 23.9807, 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

H.J.R. 68

Author: Phelan

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

Status: Filed

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill would end rollback taxes on all types of agricultural and timber land. The constitutional amendment is necessary to end rollback taxes on 1-d land. If the amendment is not enacted, rollback taxes would continue for 1-d land but would be ended for other types of agricultural and timber land.

H.B. 1728

Author: Faircloth

Amends/Enacts: §§26.05 Tax Code; §§49.107, 49.108, 49.236 and 49.2361 Water Code; §8876.252 Special District Local Laws Code

Status: Pending in House Ways and Means Committee

This bill addresses some inconsistencies in the truth-in-taxation laws that apply to water districts. A water district's rollback tax rate would be the sum of: 1) the district's debt rate; 2) the district's contract rate; and 3) the m&o rate that would impose 1.08 times the amount of the m&o tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year. If a district's proposed tax rate (including its debt service, m&o, and contract tax rates) exceeded its rollback tax rate, the notice of the meeting at which the district's board would consider the rate would have to include a description of the purpose of the proposed tax increase. Petitioning for a rollback election would be allowed if the total adopted rate exceeded the rollback rate. Water districts would be exempt from most other truth-in-taxation requirements in the Tax Code, including the calculation and publication of effective tax rates, and many of the technical requirements associated with the adoption of a tax rate.

H.B. 1880

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 Agriculture and Livestock Committee

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

H.B. 1890
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. 2241
Author: Lozano
Amends/Enacts: §§11.26, 11.261 and 23.23 Tax Code
Status: Pending in House Ways and Means Committee

A homestead subject to tax freeze may still be subject to the cap even if the structure is replaced following a casualty loss. But if the replacement structure has a nicer exterior than the old structure, the freeze will be lost. This bill would change that. If a damaged structure were replaced with a new structure with a nicer exterior, the freeze would stay in place. This bill is also discussed under the heading *Appraisals*.

H.B. 2314
Author: Murphy
Amends/Enacts: §§23.46, 23.47, 23.55 and 23.58 Tax Code
Status: Pending in House Ways and Means Committee

Rollback taxes on agricultural land would no longer include an interest component.

H.B. 3614
Author: Morrison
Amends/Enacts: §26.012 Tax Code
Status: Pending in House Ways and Means Committee

For a county calculating its effective and rollback tax rates, new property value would include the increase in total taxable value of oil or gas interests attributable to the production of oil or gas from wells completed after January 1 of the preceding year.

H.B. 3831
Author: Gutierrez
Amends/Enacts: §§26.05, 26.052 and 26.053 Tax Code; §140.010 Local Government Code; §8876.152 Special District Local Laws Code
Status: Pending in House Ways and Means Committee

A taxing unit following the Tax Code's truth-in-taxation procedures would have to take extra steps if its proposed tax rate exceeded its effective rate or its rollback rate. The governing body would have to adopt a resolution indicating whether each member favored or opposed the proposed rate. The unit would have to mail every property owner a notice stating: 1) the unit's tax revenue for the preceding year; 2) the tax revenue to be raised for the current year using the proposed rate; 3) the percentage change in revenue from year to year; and 4) the position of

each member of the governing body with respect to the proposed rate. A taxing unit could have the appraisal district send the notices for it. If two or more taxing units in the county had the appraisal district send notices, the district could combine those notices. These requirements would not apply to a city or county using the Local Government Code's truth-in-taxation procedures, nor would they apply to a small taxing unit using the simplified truth-in-taxation procedures described in §26.052.

S.B. 2 ★★★

Author: Bettencourt

Amends/Enacts: §§5.01, 5.02, 5.05, 5.102, 5.13, 6.03, 6.41, 6.414, 6.42, 6.425, 11.145, 22.23, 23.01, 25.19, 25.22, 26.01, 26.04, 26.041, 26.05, 26.06, 26.07, 26.08, 26.16, 31.12, 33.08, 41.03, 41.11, 41.12, 41.44, 41.45, 41.66, 41.71, 41A.01, 41A.03 and 41A.06 Tax Code; §130.016, Education Code; §403.302 Government Code; §281.124 Health and Safety Code; §141.010 Local Government Code; §§1101.254, 1063.255, 1122.2522, 3828.154 and 8876.152 Special District and Local Laws Code; §§49.107, 49.108 and 49.236 Water Code
Status: Passed by Senate; substitute passed by House Ways and Means Committee; pending in full House

Effective tax rates would be renamed “no-new-taxes” rates. The House version calls it a “no-new-revenue rate.” A taxing unit’s TAC would submit the unit’s appraisal roll to the governing body by July 15 along with an anticipated collection rate. That rate could not be lower than the taxing unit’s lowest actual collection rate in the preceding three years. A taxing unit’s rollback tax rate would be calculated by multiplying the unit’s no-new-taxes M&O rate by 1.05 and adding the unit’s debt rate. A taxing unit could substitute a figure of 1.08 if any part of the unit were in a declared disaster area. The House version keeps the current 1.08 figure. A taxing unit would have to submit its rate calculations to the county TAC, who would check the accuracy of the calculations. If the calculations were satisfactory, the TAC would certify their correctness in writing. The truth-in-taxation process could not proceed without the TAC’s certification. The House version would only require the person doing the calculations to certify that he had used the values from the appraisal roll. The person doing the calculations would submit the no-new-taxes and rollback rates to the governing body by July 22. The public notice of those rates would have to be published by July 27. The notice of public hearings on a proposed tax rate would be modified and the particulars would depend on whether the proposed rate exceeded the rollback rate, the no-new-taxes rate or both. The notice would have to include a complicated table comparing rates and taxes for the preceding years with those proposed for the current year. The governing body’s meeting to vote on the proposed tax rate would have to occur between three and seven days following the second public hearing. The House version does not include these provisions. The House would allow the notice to be posted on the Internet as an alternative to mailing.

A tax rate that exceeded the unit’s rollback rate would have to be adopted before August 15. The order calling for the election would have to be issued no later than August 15. 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. An election would have to occur on a uniform election date in November. 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. The House version does not include this provision.

The alternative truth-in-taxation procedures now available for cities and counties under §140.010 of the Local Government Code would be repealed. Cities and counties would have to follow the Tax Code's procedures. This provision is not in the House version.

Water districts would be subjected to a complicated new rule. If there were no new improvements in the district in a year, the district would have to hold an election if its tax rate would raise taxes on the average homestead by more than five percent. If there were new improvements in the district, an election would be required only if the voters signed petitions requesting it. If a water district's proposed combined tax rate were high enough to trigger at least the possibility of an election, the notice of the district's public hearing would have to state the purpose for the proposed tax increase and describe the rule requiring (or allowing) an election.

Every county would be required to maintain an Internet website and post the tax-rate information now required by §26.16 plus the worksheets used to calculate no-new-taxes rates and rollback rates for every taxing unit in the county. The county would also post contact information for every member of a taxing unit's governing body.

The House version generally does not include the Senate's proposed revisions to the tax calendar. The House would require each taxing unit to post tax and budget information on its website.

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

S.B. 199

Author: Campbell

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

Status: Pending in Senate Education Committee

A school district's trustees would have to adopt the district's budget with a record vote. The budget would have to include a cover page explaining whether the district was raising or lowering revenues compared to the preceding year. The page would include information about tax rates for the current and preceding years and other financial information. The budget would be posted on the district's website.

H.B. 486 ★★

Author: VanDeaver

Amends/Enacts: §26.08 Tax Code

Status: Passed by House; pending in Senate 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 only to a district that: 1) had at some time during the preceding ten years adopted a rate higher than the new alternative rollback rate; and 2) had in 2016 or some subsequent year adopted a rate lower than the new alternative rate. The comptroller would study the effects of the bill.

S.B. 642**Author: Bettencourt****Amends/Enacts: §52.072 Election Code; §§1251.051 and 1251.052 Government Code****Status: Pending in Senate Intergovernmental Relations Committee**

A taxing unit's election proposition for the approval of the imposition, increase, or reduction of a tax would have to include the estimated change in the taxes on a homestead with the median value for homesteads in the taxing unit. A proposition to impose or increase a tax would also have to include a detailed description of the purposes for the tax. The proposition could not be longer than 5,000 characters or a different limit prescribed by the secretary of state that would ensure that the length of the proposition did not exceed one page of the ballot or one screen on an electronic voting machine. A bond proposition would have to include: a general description of the purposes for the bonds; the total principal amount of the bonds; the total amount of the unit's existing debt secured by property taxes; the total amount of the unit's current payments on debt secured by property taxes; the amount of taxes imposed on a homestead with a median value to pay the unit's existing debts; and the debt taxes that would be imposed on that homestead if the bonds were approved.

S.B. 629 ★★**Author: Schwertner****Amends/Enacts: §§23.46, 23.47, 23.55 and 23.58 Tax Code****Status: Passed full Senate, pending in House Ways and Means Committee**

Rollback taxes on agricultural land would no longer include an interest component. This bill is virtually identical to H.B. 2314 discussed above.

S.B. 669 ★★★★★**Author: Nelson****Amends/Enacts: §§ 5.041, 5.043, 5.103, 5.104, 6.412, 6.42, 25.25, 42.45, 41.46, 41.461, 41.47, 41.66, 41.67, 41A.06, 41A.061 and 41A.09 Tax Code****Status: Passed by Senate; substitute passed by House; Senate will consider House version**

The House version includes the provisions found in the House version of S.B. 2 The bill is also discussed under several other headings.

S.B. 1267 ★**Author: Larry Taylor****Amends/Enacts: §26.08 Tax Code****Status: Passed by Senate Education Committee; pending in full Senate**

This bill would create an alternative rollback tax rate for certain school districts. It is virtually identical to H.B. 390 and H.B. 486 discussed above.

S.B. 1360 ★★**Author: Watson****Amends/Enacts: §§1.085, 25.19, 25.191 and 31.01 Tax Code****Status: Passed by Senate; pending in House Ways and Means 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. 1379
Author: Zaffirini
Amends/Enacts: §23.55 Tax Code
Status: Pending in Senate Finance Committee

In a county with fewer than 25,000 people, there would be no rollback taxes on open-space agricultural land.

S.B. 1407 ★★
Author: Van Taylor
Amends/Enacts: §31.01 Tax Code
Status: Passed by Senate; pending in House Ways and Means Committee

School districts would have to include additional information on their tax bills concerning the effects of the Robin Hood program. This bill is virtually identical to H.B. 1890 discussed above.

S.B. 1426 ★★
Author: Hancock
Amends/Enacts: §§26.012 and 26.04 Tax Code; §140.010 Local Government Code
Status: Passed by Senate; pending in House Ways and Means Committee

A taxing unit using the regular truth-in-taxation procedures in the Tax Code would have to calculate and publish an “adjusted effective tax rate” and an “adjusted rollback tax rate.” They would be like the regular effective rate and rollback rate, except new property value would not be subtracted from the calculations. A city or county using the truth-in-taxation procedures found in the Local Government would have to do the same.

S.B. 1979 ★★
Author: Schwertner
Amends/Enacts: §23.46 Tax Code
Status: Passed by Senate; pending in House Ways and Means Committee

If rollback taxes were assessed on 1-d agricultural land taken by condemnation, those taxes would be the personal responsibility of the condemning authority, not the owner who had his land taken.

S.B. 2239
Author: Bettencourt
Amends/Enacts §§5.07, 5.091, 5.092, 25,199(b) and (i), 26.012(7), 26.031, 26.04, 26.041(d), (f), (g), (h), (i) and (j), 26.044(a)–(c), 26.0441(a)-(c), 26.05(a-1),(d-1),and (e-1), 26.065(b) and 26.03. Tax Code. Repeals §§26.03. 26.04(d), 26.041(a), (b), (c) and (e), 26.045, Tax Code:
Status: Pending in Senate Finance Committee

This bill is an overhaul of the Truth in Taxation procedures and calculations, primarily for cities, counties and other taxing units and to some extent school districts. It requires the comptroller to

create electronic worksheets to be used by persons designated to calculate tax rates for all taxing units. The purpose of this is to create a property-tax related data base for each taxing unit in the state including information from the worksheets and other information “with respect to each property listed on an appraisal roll”, the property’s identification number, market value, taxable value, and identifying each taxing unit in which the property is located. The tax rate calculation information will include a unit’s “no-new taxes rate”, rollback rate, the proposed rate, and as to school districts the rate to maintain the same amount of state and local revenue per weighted student. In addition, it would include the date and location of any public hearing that a taxing unit must hold on a proposed rate or its adoption, and the name of the person designated to calculate these rates. This information must be routinely updated for any changes made by a taxing unit.

The person calculating the rates for a taxing unit must submit the worksheets used to calculate a unit’s tax rates to the unit’s auditor or chief financial officer and the chief appraiser. The taxing unit may not adopt a tax rate until (1)the chief appraiser submits to the governing body a written certification that the values used in the calculations are the same as the values shown in the unit’s appraisal roll, and (2) the auditor and chief financial officer certifies that the rollback tax rate has been calculated correctly. The tax assessor for the unit must deliver notice by regular mail or e-mail to each property owner that the estimated amount of taxes to be imposed on a person’s property by each taxing unit may be found in the comptroller’s data base and provide the comptroller internet address and a statement that the property owner may request a written copy of the information from the assessor for each taxing unit.

The “no new tax rate” will be calculated similarly to an effective tax rate, rollback rates will be calculated by adding four percent to the no new tax rate. New improvement value will include the value of new real property improvements located in a taxing unit, but will not include new personal property located in the new improvement. Debt for purposes of calculating a taxing unit’s interest and sinking rate will include only debt that has been approved at an election. The amount of anticipated debt levy may be multiplied by a taxing unit’s “average collection rate” defined as the unit’s average actual collection rate for the three years immediately preceding the current year.

Collections

H.B. 198

Author: Bernal

Amends/Enacts: §31.031 Tax Code

Status: Pending in House Ways and Means Committee

Anyone whose home qualified for a homestead exemption could pay the taxes on the home in four installments just as homeowners who are disabled or over 65 can now.

H.B. 758

Author: Keough

Amends/Enacts: §§31.112 and 31.12 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R. 49

Author: Keough

Amends/Enacts: Art. III, §521 Texas Constitution
Status: Pending in House Ways and Means Committee

This proposed constitutional amendment and related bill concern property that is leased to a religious organization and used as a place of worship. The landlord would still pay taxes on the property, but the tenant could claim a refund of those taxes up to three years after they were paid. The tenant would file a form with the TAC for a taxing unit, and the TAC would be responsible for determining whether the tenant and the property qualified for the refund. A taxing unit whose TAC refused to pay the refund could be sued by the tenant.

H.B. 969

Author: Metcalf

Amends/Enacts: §§6.035, 6.412, 33.06, 33.065 and 33.066 Tax Code; §403.302 Government Code

Status: Pending in House Ways and Means Committee

This confusing bill would apparently allow any homeowner with significant equity in his homestead to defer the collection of taxes on that homestead. If the owner's equity in the property were more than 10% of its value, he could file affidavits annually with the appraisal district and defer the collection of the taxes until he no longer held an equity interest of more than 10%. During the deferral period, the unpaid taxes would accrue interest at a rate of 8%, or, the owner's equity were greater than 50% of market value, the interest rate would be only 2%.

The bill would also allow the deferral of taxes on a property that had been held by the same family for at least 100 years if the current owner(s) had an equity interest of more than 50% of market value.

H.B. 1564

Author: Miller

Amends/Enacts: §33.06 Tax Code

Status: Pending in House Ways and Means Committee

A homeowner eligible to defer the collection of taxes on his homestead would need to get the written consent of the mortgage holder before filing a deferral affidavit if the mortgage debt equaled 60% or more of the appraised value of the homestead or if the owner were in default on the mortgage.

H.B. 1632 ★★

Author: Greg Bonnen

Amends/Enacts: §§31.02 and 33.01 Tax Code

Status: Passed by House; pending in Senate Finance Committee

Current law excuses a member of the armed forces from paying taxes on time if he is out of state serving on active duty during a declared war or national emergency. This bill would eliminate the requirement that a person's service occur during a war or emergency. Even if the person paid his taxes after the extended delinquency date, they would not accrue any penalty, and interest would accrue at a rate of only six percent.

H.B. 1634

Author: Greg Bonnen

Amends/Enacts: §33.011 Tax Code

Status: Pending in House Ways and Means Committee

A taxing unit's governing body could waive penalties and interest on delinquent taxes if: 1) the tax bill were delivered to the mortgagee of the property, but the mortgagee failed to mail a copy of the bill to the owner of the property; and 2) the taxpayer paid the taxes within twenty-one days after she knew or should have known of the delinquency.

H.B. 1782

Author: Faircloth

Amends/Enacts: §§31.031 and 31.032 Tax Code

Status: Pending in House Ways and Means Committee

This bill, which would allow any taxpayer to pay the taxes on any property in four installments, is virtually identical to S.B. 1047 discussed above.

H.B. 1833

Author: Dutton

Amends/Enacts: §§11.281, 11.43, 33.52, 34.01 and 34.05 Tax Code

Status: Pending in House Ways and Means Committee

H.J.R.?

This proposed constitutional amendment and related bill would exempt property that is ordered foreclosed in a delinquent-tax suit from the time of the judgment until the taxes are paid or until the time of the tax sale. If the property owner paid off the judgment before the property was sold or if he redeemed it after the sale, a penalty would be imposed equal to the amount of the taxes that would have been imposed during the exemption period, plus interest at seven percent calculated from the dates on which the taxes would have become due. A lien would secure the penalty.

H.B. 1878

Author: Murr

Amends/Enacts: §141.001 Election Code

Status: Pending in House General Investigating and Ethics Committee

A person could not run for an elective office or be elected unless she had "paid all property taxes due and payable by the person." There would be exceptions for taxes being paid under a payment plan and taxes being contested.

H.B. 2028 ★

Author: Goldman

Amends/Enacts: §§1.07 and 33.06 Tax Code

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

This bill concerns circumstances in which an appraisal district determines that a person over 65 has ceased to qualify for a homestead exemption because the property is no longer the person's principal residence. It is virtually identical to S.B. 448 discussed above.

H.B. 2236 ★

Author: Murphy

Amends/Enacts: §§33.06 and 33.065 Tax Code

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

The interest rate on deferred or abated homestead taxes would drop from eight percent 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 1.92 percent for 2017. For a deferral that began in 2013, it would be 0.81 percent.

H.B. 2635

Author: Dutton

Amends/Enacts: §6.035, 60412 and 33.025 Tax Code

Status: Pending in House Ways and Means Committee

If a person who had deferred paying her homestead taxes died, her heir could pay off the delinquent taxes over a period of time. At the request of the heir, the tax office would have to enter a payout agreement. The heir could choose to make monthly or annual payments. The payout period would last for the same period of time that the deferral period had lasted (e.g., if the taxes had been deferred for ten years, the heir would have ten years to pay them off). The payout agreement, however, would end if the heir missed a payment or ceased to own the property. During the payout period, interest would accrue at the ordinary rate for delinquent taxes, but penalties would not accrue.

H.B. 2832 ★★

Author: Oliveira

Amends/Enacts: §32.06 Tax Code

Status: Passed by House; pending in Senate Business and Commerce Committee

At least ten days before entering a contract authorizing the transfer of tax liens, a property owner would have to send a notice by certified mail to any servicer of a mortgage on the property. The document sworn to by the property owner and filed with the tax office would have to state that the notice had been sent to the mortgage servicer.

H.B. 3062 ★★

Author: Kacal

Amends/Enacts: §§34.01 and 34.015 Tax Code; §3.0445 Civil Practice and Remedies Code

Status: Passed by House; pending in Senate Finance Committee

The bill would make it clear that the rules that apply to tax sales of real property apply to sales of personal property as well. A sale of personal property could occur at the location of the personal property.

One person could bid at a tax sale on behalf of another, but the sheriff would still need proof that the purchaser was authorized to bid.

The spouse of a purchaser could also be considered a purchaser and could have her name on the sheriff's deed, even if she were not present for the sale. A deed could also be made out to a business, religious, charitable, or civic organization that had authorized in writing an individual to bid on its behalf. Each purchaser, however, would still have to show that he/she/it was qualified to bid.

The bill would also clarify and make several minor changes to laws concerning foreclosure sales under the Civil Practice and Remedies Code. One person could bid on behalf of another person.

The agent could submit the necessary statement showing that the purchaser was qualified to bid.

H.B. 3148

Author: Uresti

Amends/Enacts: §§31.031, 31.033 and 33.08 Tax Code

Status: Pending in House Ways and Means Committee

Anyone whose home qualified for a homestead exemption could pay the taxes on the home in four installments just as homeowners who are disabled or over 65 can now. That same option would be available for the taxes on any property receiving a disabled veteran's exemption under §11.22. Another installment option would be available to homeowners who were disabled or over sixty-five and to homeowners who qualified for the disabled veteran's homestead exemption. Those people could pay their taxes in ten installments, beginning with a payment before November 1 and finishing with a payment before August 1 of the following year. If the owner failed to make a timely payment due after January 1, the unpaid installment would be delinquent and would incur interest and a penalty of six percent. The ten-payment option would also be available for the taxes on any property receiving a disabled veteran's exemption under §11.22.

H.B. 3311

Author: Huberty

Amends/Enacts: §34.01 Tax Code

Status: Pending in House Business and Industry Committee

A tax sale of real property, including a sale by Internet auction, would have to occur between 10 a.m. and 4 p.m. on the first Tuesday of a month. If the first Tuesday were a holiday, the sale could occur on the following business day.

H.B. 3446 ★★

Author: Yvonne Davis

Amends/Enacts: §§11.43, 25.027, 26.15 and 31.12 Tax Code

Status: Passed by House; pending Senate Finance Committee

If a homeowner filed a written request with a TAC that a refund of a taxes on the owner's homestead and paid by the owner be sent to a particular address, the TAC would have to use that address. In the absence of such a request, the TAC would send the refund to the person's most recent mailing address as reflected in the records of the tax office.

This bill also includes a non-substantive, technical change to the law that requires a refund when a correction to an appraisal roll reduces a property owner' tax liability. This bill is also discussed under the headings, *Exemptions* and *Appraisal Districts and ARBs*.

H.B. 3725

Author: Walle

Amends/Enacts: §§32.05 and 32.065 Tax Code

Status: Pending in House Ways and Means Committee

A tax lien would lose its special priority if it were transferred and: 1) the closing costs of the loan secured by the lien exceeded \$500; or 2) discount points were charged in connection with the loan.

S.B. 448 ★★

Author: Burton

Amends/Enacts: §§1.07 and 33.06 Tax Code

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

This bill concerns circumstances in which an appraisal district determines that a person over 65 has ceased to qualify for a homestead exemption because the property is no longer the person's principal residence and that determination will end a tax deferral or abatement on the property. The district would have to make an extra effort to notify the property owner. The district would send the owner a certified-mail notice and include: 1) a form on which the owner could state whether the property was still his principal residence; 2) a postage-paid return envelope; and 3) instructions for returning the form. If the owner did not respond within sixty days, the district could cancel the exemption thirty days later, but only after making a "reasonable effort" to locate the owner and determine whether the property still qualified for the exemption. A reasonable effort would include sending the owner an additional notice by first-class mail in an envelope marked "RETURN SERVICE REQUESTED" or other measures that the district thought were appropriate. An appraisal district could combine these notices with the notices that are already required under §11.43(q) when the district cancels an over-65 homestead exemption.

S.B. 595

Author: Lucio

Amends/Enacts: §31.031 Tax Code

Status: Pending in Senate Finance Committee

The right to pay homestead taxes in installments would extend to "an individual whose household income for the household located at the individual's residence homestead is not more than 80 percent of the applicable area median family income established by the United States Department of Housing and Urban Development." A homeowner claiming that right would have to provide a TAC with any income or household information that the TAC required in order to establish the homeowner's eligibility.

S.B. 711

Author: Van Taylor

Amends/Enacts: §23.1242 Tax Code

Status: Pending in Senate Finance Committee

This bill concerning monthly filings and payments by heavy equipment dealers is virtually identical to H.B. 1346 discussed above.

S.B. 771

Author: Creighton

Amends/Enacts: §§31.02 and 33.01 Tax Code

Status: Pending in Senate Veteran Affairs and Border Security Committee

This bill extending the delinquency date for a member of the armed forces serving out of state is virtually identical to H.B. 1632 discussed above.

S.B. 1378

Author: Zaffirini

Amends/Enacts: §33.061 Tax Code

Status: Pending in Senate Finance Committee

Any homeowner could abate a tax sale of her homestead. She would have to file an affidavit with the appraisal district, the tax office and the sheriff responsible for the sale. The sale would be abated for two years, or until the 181st day after the property ceased to be the person's homestead, whichever came earlier. If a homestead were sold in violation of the abatement, the property owner could go to the court during the redemption period and have the sale set aside. An appraisal district would have to publicize this new right.

S.B. 1397

Author: Nichols

Amends/Enacts: §32.06 Tax Code

Status: Pending in Senate Business and Commerce Committee

This bill would require advance notice to a mortgage servicer before a property owner could agree to a transfer of tax liens on her property. It is virtually identical to H.B. 2832 discussed above.

S.B. 2198

Author: Campbell

Amends/Enacts §§1.13 and 1.14 Tax Code

Status: Pending in Senate Finance Committee

Interest under the Tax Code would accrue at the lesser of 12% or the Federal Reserve Board prime rate plus 2%, to be posted on the Comptroller's website beginning in 2018. Interest that accrues on a tax, penalty, or refund regarding property that is the subject of a 25.25. motion, an effort to collect delinquent tax under Chapter 33, or an appeal under Chapter 42 may be waived or reduced by agreement.

S.B. 1745 ★★

Author: Hinojosa

Amends/Enacts: §11.43 Tax Code

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

If an appraisal district cancelled an erroneously granted exemption, the lien securing the additional taxes would be unenforceable if the property had sold in an arm's-length sale to a buyer who was not closely related to the owner who had received the erroneous exemption.

School Finance and Value Studies

H.B. 286

Author: Rinaldi

Amends/Enacts: Chapter 41 Education Code

Status: Pending in House Public Education Committee

This bill would repeal Chapter 41 of the Education Code, the "Robin-Hood" law that requires rich school districts to help finance other school districts.

H.B. 308**Author: Burrows****Amends/Enacts: §42.2516, 42.2618 Education Code****Status: Pending in House Public Education Committee**

When the homestead exemption was increased to \$25,000 in 2015, the legislature enacted a hold-harmless law to ensure that a school district wouldn't see a decrease in its total of state and local funds. That law, however extended through only the 2015-2016 school year. This bill would extend that law through the 2026-2027 school year.

H.B. 527**Author: Workman****Amends/Enacts: §42.2516, 42.2618 Education Code****Status: Pending in House Public Education Committee**

This is another bill that would extend the 2015 hold-harmless law protecting school districts' funding from reductions due to increased homestead exemptions. The law would extend through the 2018-2019 school year.

H.B. 856**Author: Schubert****Amends/Enacts: §42.2516, 42.2618 Education Code****Status: Pending in House Public Education Committee**

This is another bill that would extend the 2015 hold-harmless law protecting school districts' funding from reductions due to increased homestead exemptions. The law would extend through the 2018-2019 school year.

H.B. 1059**Author: Murphy****Amends/Enacts: §41.004, 41.202, 41.203, 41.2065, 41.208, 41.209, 41.210, 41.211, 41.212****Education Code****Status: Pending in House Public Education Committee**

This bill concerns property that was detached from one school district and annexed to another school district by the commissioner of education under Chapter 41, Subchapter G of the Education Code. It provides a method through which the property would later be transferred back to the original district if that district's wealth level had dropped. If the commissioner ordered the detachment, annexation or reattachment of property or the consolidation of districts without the agreement of the districts involved, his order would take effect in the calendar year following the year in which the order was entered. If the detachment, annexation reattachment or consolidation occurred as the result of an agreement between the districts, it would take effect in the year in the year that the agreement was made.

H.B. 1263**Author: Bohac****Amends/Enacts: §§7.062 and 42.2522 Education Code****Status: Pending in House Public Education Committee**

In assessing a school district's wealth, the TEA now recognizes half of the district's optional percentage homestead exemption, but only if excess funds are available or if the legislature

appropriates funds for that purpose. Under this bill, the TEA would always recognize half of percentage homestead exemptions.

H.B. 1320

Author: Landgraf

Amends/Enacts: §§41.002, 42.012, 42.2529, 42.25291, 42.25292, 42.302, 46.003 and 46.006, 46.032 Education Code

Status: Pending in House Public Education Committee

Each year the TEA would determine the percentage of the cost of the Foundation School Program funded by amounts paid to the state by school districts as a result of buying attendance credits. The total amount to which a school district would be entitled under Chapter 42 would be reduced by that percentage unless the school district imposed an m&o tax at the highest rate allowed.

A school district could not be considered a wealthy district for purposes of the Robin-Hood law if the district 1) had a campus that received federal funding under a concentration grant U.S.C. §6334; or 2) had a taxable value of property that was unlikely to produce the projected district tax revenue because of a high prevalence of mineral rights associated with the taxable property. A select committee appointed by the speaker of the house and the lieutenant governor would identify the districts that were too reliant on minerals.

H.B. 1324

Author: Senfronia Thompson

Amends/Enacts: §42.2522 Education Code

Status: Pending in House Public Education Committee

Some school districts are prohibited from repealing or reducing their percentage homestead exemptions before the end of 2019. Under this bill, the TEA would have to recognize half of those districts' percentage homestead exemptions when assessing their wealth.

H.B. 1788

Author: Ed Thompson

Amends/Enacts: §§46.032, 46.034 and 64.071 Education Code

Status: Pending in House Public Education Committee

This bill concerns the funds that the state provides to school districts to help them pay existing debts. The guaranteed level of state and local funds per student per cent of tax effort would remain at \$35 for a district's first 20¢ of debt tax effort. For debt tax effort above 20¢, the guaranteed yield would be \$60. The current debt rate cap of 29¢ would be removed.

H.B. 1838

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. 2268

Author: Raymond

Amends/Enacts: §§11.13 and 11.26 Tax Code; §41.0011, 42.2518, 42.252, 42.302, 46.003, 46.032 and 46.071 Education Code

Status: Pending in House Ways and Means Committee

H.J.R. 75

Author: Raymond

Amends/Enacts: Art. III, §49-g and Art. VIII, §1-b Texas Constitution

Status: Pending in House Ways and Means Committee²⁹⁰

This proposed constitutional amendment and related bill would transfer \$3.05 billion from the economic stabilization fund to the foundation school fund to finance a temporary increase the general homestead exemption from school taxes. For 2018, the exemption would be \$71,000. In 2019, the exemption would return to \$25,000.

H.B. 2865

Author: Mary Gonzales

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

Status: Pending in House Public Education Committee

A percentage homestead exemption granted by a school district would not be recognized at all in the comptroller's value studies.

H.B. 3251 ★

Author: Ken King

Amends/Enacts: §42.2521 Education Code

Status: Passed by House Public Education Committee; pending in full House

The Education Code presently includes a provision directing the commissioner of education to adjust the taxable values of a school district that experiences a rapid decline in its tax base from year to year, but that provision applies only to the extent that money is available to fund it. This bill would remove that contingency and make the provision apply automatically.

H.B. 3909

Author: Lucio

Amends/Enacts: §62.160 Water Code

Status: Pending in House Ways and Means Committee

This bill concerns navigations districts in populous counties bordering the Gulf of Mexico. If taxation were suspended by such a district the it could be reinstated upon request by the district to the county TAC.

H.J.R. 27

Author: Howard

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

Status: Pending in House Ways and Means Committee

This proposed constitutional amendment would require the state to pay at least fifty percent of the cost of public schools.

S.B. 192**Author: Garcia****Amends/Enacts: §42.010 Education Code****Status: Pending in Senate Education Committee**

The TEA would conduct a comprehensive review of weights, allotments, and adjustments under the public-school finance system and report its findings in time for the 2019 legislative session.

S.B. 290**Author: Watson****Amends/Enacts: §§42.001 and 46.101 Education Code****Status: Pending in Senate Education Committee**

This bill states, "It is the policy of this state that the state's contribution to the financing of public education should not decrease as a result of an increase in local property values." The state should not append less on public education in any biennium than it spent in the preceding biennium.

S.B. 419**Author: Kolkhorst****Amends/Enacts: §§42.2516 and 42.2518 Education Code****Status: Pending in Senate Education Committee**

This bill would extend the hold-harmless provision enacted as part of the 2005 tax-rate compression law. School districts would be protected against revenue losses through the 2022-2023 school year.

S.B. 649**Author: Seliger****Amends/Enacts: §§42.101, 42.2516 and 42.2518 Education Code****Status: Pending in Senate 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 \$5,140 per student in average daily attendance. The hold-harmless provision adopted when tax rates were compressed in 2005 would be extended through the 2018-2019 school year, but only for districts that received additional funding for the 2016-2017 school year. If a district had an m&o rate of less than \$1.50 in 2005, the district would have to had to calculate its compressed tax rate under §42.101 (a-1) for the 2016-2017 school year. This additional funding would be capped at \$150 million for the 2017-2018 school year and \$75 million for the 2018-2019 school year.

The hold-harmless provision related to the 2015 increase in homestead exemptions would be extended through the 2018-2019 school year. Beginning with the 2019-2010 school year, the provision would still exist, but in calculating the state and local revenue that a district would have received without the increase in the homestead exemption the TEA would exclude any state aid that the district would have received under the hold-harmless clause related to rate compression.

S.B. 704**Author Rodriguez**

Amends/Enacts: §§29.097, 29.098, 29.918, 39.0233, 39.234, 41.002, 41.093, 41.097, 41.098, 41.099, 42.010, 42.013, 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

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 2017-2018 school year and to \$5,840 for the 2018-2019 school year. After that, the allotment would increase each year by the lesser of one percent or the inflation rate based on the Texas Consumer Price Index. 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 no later than December 1, 2018. 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.

S.B. 1247
Author: Huffman
Amends/Enacts: §41.004, 41.202, 41.203, 41.2065, 41.208, 41.209, 41.210, 41.211, 41.212 Education Code
Status: Pending in Senate Education Committee

This bill concerning property detached from one school district and annexed to another is virtually identical to H.B. 1059 discussed above.

Miscellaneous

H.B. 39
Author: Wu
Amends/Enacts: §25.025 Tax Code
Status: Pending in House Human Services Committee

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units would be expanded to include current or former DPS child protective services caseworkers or investigators, including contractors performing these functions.

H.B. 330**Author: Zerwas****Amends/Enacts: §§5.01, 5.02, 5.05, 5.102, 5.13, 6.03, 6.41, 6.414, 6.42, 6.425, 23.01, 25.19, 41.44, 41.45 and 41.66, Tax Code; §403.302 Government Code****Status: Pending in House State Affairs Committee**

This bill includes some of the same proposals found in the more inclusive S.B. 2 discussed below. The Comptroller would appoint a “property tax administration advisory board” to give him advice concerning his property-tax responsibilities. The Governor, the Lieutenant Governor and the Speaker of the House could advise the Comptroller about the selection of the board’s six members. Elected officials could not serve on the board, neither could someone doing business with the comptroller or a local government. Apparently people representing property owners would be allowed on the board, thus ensuring that the Comptroller would hear from only one side. 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*.

H.B. 386**Author: Murphy****Amends/Enacts: §§313.021, 313.024 and 313.032 Tax Code****Status: Pending in House Ways and Means Committee**

A qualifying job under the Texas Economic Development Act would only have to pay 110% of the lesser of: 1) the *state median* annual wage for manufacturing jobs; or 2) the *county average* annual wage for manufacturing jobs. The average annual wage for non-qualifying jobs would only have to exceed the lesser of: 1) the *state median* annual wage for all jobs in the state; or 2) the *county average* annual wage for all jobs. These terms are defined. A job could be a qualifying job even if it were transferred from another area in Texas as long as it “represent[ed] a net new job in this state.”

H.B. 445 ★**Author: Frank****Amends/Enacts: §§312.0021 and 313.024 Tax Code****Status: Passed by House Ways and Means Committee; pending in full House**

A property could not receive a school-tax value limitation if it were near a military aviation facility and if a wind-powered energy device were installed on the property. This bill is also discussed under the heading, Exemptions.

H.B. 559**Author: Hernandez****Amends/Enacts: §313.032 Tax Code****Status: Pending in House Ways and Means Committee**

The Comptroller would have to verify at least one-third of data reported by businesses that receive school-tax value limitations under the Economic Development Act before including that data in his biennial report to the legislature. He would verify the data using information from the Texas Workforce Commission, appraisal districts, or other sources that he considered reliable. Information provided by the businesses to the comptroller would be confidential.

H.B. 703

Author: Wu
Amends/Enacts Section 552.117(a), Government
Status: Pending Code in House Human Services Committee

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units would be expanded to include (with certain exceptions) current or former officials or employees of a governmental body, certain peace officers, game wardens and security officers, current or former employees of the Texas Department of Criminal Justice and various county, municipal and community corrections employees and officers, current or former employees of the State Attorney General who are or were involved with criminal justice matters, employees and officers of juvenile justice, probation and supervision departments and programs, current and former members of the "Texas military forces", and ...and by current or former DPS child protective services caseworkers or investigators, including contractors performing these functions.

H.B. 1050
Author: Swanson
Amends/Enacts: Title 1 Tax Code
Status: Pending in House Ways and Means Committee

This bill would eliminate all property taxes by 2022. It does not include any alternative source of revenue for local governments.

H.B. 1252
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. 1343
Author: Stephenson
Amends/Enacts: §§403.0241, 403.0242 Government Code; §§203.061 and 203.062 Local Government Code
Status: Pending in House Special Purpose Districts Committee

The comptroller would create an Internet database containing financial and tax rate information about special purpose districts. The districts in the database would not include school or junior-college districts but would include all other districts that are authorized to impose property or sales taxes, to impose assessments, or to charge fees. The database would include information about each district including: the name of each board member or employee of the district; the name of each attorney who represented the district; the district's tax rates; its account balances and other financial information. Districts would have to provide the information to the comptroller. A district that failed to do so would not get the attorney general's approval for its bonds or other securities.

H.B. 1618
Author: Smithee
Amends/Enacts: §313.027
Status: Pending in House Ways and Means Committee

Current law allows a recipient of a school value freeze under the Economic Development Act to provide supplemental payments to the school district in an amount that does not exceed the greater of \$100 per student or \$50,000. This bill would raise that latter figure to \$75,000.

H.B. 1719 ★

Author: Ed Thompson

Amends/Enacts: §6.231 Tax Code

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

This bill concerning educational requirements for county TACs is virtually identical to S.B. 929 discussed above.

H.B. 1738

Author: Greg Bonnen

Ame Status: Pending in House Ways and Means Committee

nds/Enacts: §1151.151, 1151.1515 and 1151.160 Occupations Code

Status: Pending in House Ways and Means Committee

A county TAC or an employee of the TAC could voluntarily register as a tax professional with the TDLR. Such a person would have to satisfy the legal requirements of the Property Taxation Professional Certification Act. People who were formerly registered could reinstate their registrations and get credit for their earlier courses and experience.

H.B. 1919

Author: Raymond

Amends/Enacts §25.025 Tax Code and various other codes

Status: Pending in House Criminal Jurisprudence Committee

This bill is similar to H. B. 1278, with the addition of firefighters and EMS personnel.

H.B. 2106

Author: Smithee

Amends/Enacts: §25.025 Tax Code

Status: Pending in House Ways and Means Committee

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units would be expanded to include current and former employees of a state judge.

H.B. 2219

Author: Lozano

Amends/Enacts: §313.024(b) 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. 2480 ★

Author: Eric Johnson

Amends/Enacts: §311.003, 311.006, 311.0112 and 311.016 Tax Code

Status: Passed by House Urban Affairs Committee; pending in full House

This bill concerns certain reinvestment zones created for purposes of tax-increment financing in the Dallas area. It would require those zones to make accommodations for affordable housing.

H.B. 2564

Author: Button

Amends/Enacts: §§490G.001, 490G.0055, 490G.0056, 490G.006, 490G.0065, 490G.0066 and 490G.007 Government Code

Status: Pending in Economic and Small Business Development Committee

The state's Economic Incentive Oversight Board would periodically review the Economic Development Act and develop a performance matrix for measuring the Act's effectiveness. The Board would make biennial reports of its findings in advance of each regular legislative session.

H.B. 2926

Author: Roberts

Amends/Enacts: §2001.0321 Government Code

Status: Pending in Economic and Small Business Development Committee

H.J.R. 94

Author: Roberts

Amends/Enacts: Tex. Const.. Art. 2 Sec. 2

Status: Pending in Economic and Small Business Development Committee

This bill would require state agencies' proposed rules to be approved unanimously by the standing committee responsible for its subject, and if not so approved, submitted to the fill House or Senate. Although this provision would not apply directly to local government agencies, it could affect the Comptroller and other state agencies with which they intersect.

H.B. 3086

Author: Murphy

Amends/Enacts: §§313.021, 313.024, 313.025, 313.027 and 313.034 Tax Code

Status: Pending in House Ways and Means Committee

A job could be considered a qualifying job under the Texas Economic Development Act even if it were transferred from one place in Texas to another as long as the transfer represented a net new job in Texas. A qualifying job would only have to pay 110% of the lesser of: 1) the state median annual wage for manufacturing jobs; or 2) the county average annual wage for manufacturing jobs. The average annual wage for non-qualifying jobs would only have to exceed the lesser of: 1) the state median annual wage for all jobs in the state; or 2) the county average annual wage for all jobs. These terms are defined. An agreement for a value limitation would have to state: 1) the dollar amount of the qualified investment to be made; and 2) the number of new qualifying jobs to be created. A school district could not waive a requirement for new qualifying jobs. A school district's officers, employees and contractors would have to disclose any possible conflicts of interest related to an application for a value limitation. Anyone with a conflict could not be involved in making decisions or giving advice related to that conflict unless the school district expressly allowed the person to do so.

H.B. 3176

Author: Button

Amends/Enacts: §§313.008, 313.027 and 313.032 Tax Code

Status: Pending in Economic and Small Business Development Committee

If a school board were considering a value limitation application under the Economic Development Act and a member had a conflict of interest, she would have to disclose that conflict and recuse herself from decisions related to the application.

Current law allows a recipient of a school value limitation to provide supplemental payments to the school district in an amount that does not exceed the greater of \$100 per student or \$50,000. This bill would lower that latter figure to \$37,500.

When preparing his biennial reports to the legislature on school value limitations, the comptroller would verify the data provided by the beneficiaries using any source that he considered reliable.

H.B. 3230

Author: Phelan

Amends/Enacts: §§312.205 and 313.027 Tax Code

Status: Pending in House Ways and Means Committee

A value-limitation agreement under the Economic Development Act would have to include either: 1) a waiver by the property owner of its right to file an unequal-appraisal protest concerning the property; or 2) a provision for the recapture of lost tax revenue if the appraised value of the property does not reach a specified amount together with penalties and/or interest on the recaptured taxes. This bill is also discussed under the heading, *Exemptions*.

H.B. 3360 ★★★

Author: Button

Amends/Enacts: §§490G.001, 490G.0055, 490G.006, 490G.0065 and 490G.007 Government Code

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

The Economic Incentive Oversight Board would periodically evaluate the Economic Development Act and develop a performance matrix to establish the economic performance standards that would guide the Board's evaluation of the Act. The Board would make recommendations to the Texas Economic Development and Tourism Office and submit biennial reports to the legislature.

H.B. 4001

Author: Tinderholt

Amends/Enacts: §25.025

Status: Pending in House Ways and Means Committee

This bill would allow any homeowner to request his or home address be exempt from disclosure, by filing with the CAD a form from the Comptroller.

S.B. 2 ★★★

Author: Bettencourt

Amends/Enacts: §§5.01, 5.02, 5.05, 5.102, 5.13, 6.03, 6.41, 6.414, 6.42, 6.425, 11.145, 22.23, 23.01, 25.19, 25.22, 26.01, 26.04, 26.041, 26.05, 26.06, 26.07, 26.08, 26.16, 31.12, 33.08, 41.03, 41.11, 41.12, 41.44, 41.45, 41.66, 41.71, 41A.01, 41A.03 and 41A.06 Tax Code; §130.016, Education Code; §403.302 Government Code; §281.124 Health and Safety

**Code; §141.010 Local Government Code; §§1101.254, 1063.255, 1122.2522, 3828.154 and 8876.152 Special District and Local Laws Code; §§49.107, 49.108 and 49.236 Water Code
Status: Passed by Senate; substitute passed by House Ways and Means Committee; pending in full House**

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.

The House version does not include this provision. It would direct the Comptroller to post a statewide list of tax rates.

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

S.B. 200 ★★★

Author: Campbell

Amends/Enacts: §44.012 Education Code; §403.0243 Government Code; §§203.061 203.062, 203.063, 203.064 and 203.065 Local Government Code

Status: Passed by Senate; passed by House Government Transparency and Operation Committee; pending in full House

The Comptroller would create an Internet database called the Political Subdivision Public Information Warehouse, which would include tax and financial information about every political subdivision. Local governments would transmit the information to the Comptroller for inclusion in the database.

S.B. 201

Author: Campbell

Amends/Enacts: §§1251.051 and 1251.052 Government Code

Status: Pending in Senate Intergovernmental Relations Committee

A taxing unit seeking voter approval for new debt obligations would have to include certain information in its ballot proposal. That information would include the purpose for the new debts, the anticipated taxes and the unit's current debts and debt taxes.

S.B. 245

Author: Burton

Amends/Enacts: §§1251.051, 1251.052, 1251.053, 1251.054 and 1251.055 Government Code

Status: Pending in Senate Intergovernmental Relations Committee

Before a bond election, a taxing unit's governing body would have to hold a public hearing. The unit would have to provide public notice of the hearing and the election including a written notice mailed to every property owner. At the hearing, the unit would distribute a voter information document with information about the proposed bonds, the anticipated taxes and the unit's current debts and debt taxes.

S.B. 400 ★★

Author: Kolkhorst

Amends/Enacts: §313.032 Tax Code

Status: Passed by Senate; pending in House Economic and Small Business Development Committee

The recipient of a school value limitation under the Economic Development Act would have to have an independent CPA verify the data certified to the comptroller. The data could be verified using information from any reliable source, including the Texas Workforce Commission and the appraisal district.

S.B. 600

Author: Burton

Amends/Enacts: Chapter 313 and §§23.03, 26.012, 151.359, 151.3595, 171.602, 312.0025, 312.403 and 320.002 Tax Code; §42.2515 Education Code; §§403.302 and 2303.507 Government Code

Status: Pending in Senate Natural Resources and Economic Development Committee

This bill would repeal the Economic Development Act. School districts' existing value limitations would remain in effect.

S.B. 650

Author: Bettencourt

Amends/Enacts: §§311.005, 311.0085, 311.010, 311.01005, 311.014, 311.015 and 311.0155 Tax Code

Status: Pending in Senate Natural Resources and Economic Development Committee

In order for property owners to petition for the creation of a reinvestment zone for purposes of tax-increment financing, the area involved would have to be "unproductive, underdeveloped or blighted." The attorney general would develop rules interpreting those terms. Tax increment funds could still be spent on improvements and affordable housing, but the improvements and housing would have to be located in the reinvestment zone. Before a city council could vote on issuing tax-increment bonds, it would have to mail notices to every owner of property in the city, the county commissioners and local legislators. When the city sought the attorney general's approval for the bonds, it would have to mail notices to the county commissioners and local legislators. The city would have to provide the attorney general with evidence that the reinvestment zone met applicable eligibility requirements, and the attorney general would have to be satisfied with that evidence. If the attorney general were not satisfied, the city could supplement its evidence and/or amend the ordinance creating the zone. The bill would also repeal §311.01005 which concerns transportation projects and §311.014(f) which permits transfers of funds between adjacent zones.

S.B. 659 ★★

Author: Campbell

Amends/Enacts: §25.025 Tax Code

Status: Passed by Senate; pending in House Government Transparency and Operation Committee

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. 669 ★★★★★

Author: Nelson

Amends/Enacts: §§ 5.041, 5.043, 5.103, 5.104, 6.412, 6.42, 25.25, 42.45, 41.46, 41.461, 41.47, 41.66, 41.67, 41A.06, 41A.061 and 41A.09 Tax Code

Status: Passed by Senate; substitute passed by House; Senate will consider House version

The House version of this bill includes the idea of a property tax administration advisory board, an idea also found in S.B. 2. This bill is also discussed under the headings, *Appraisal Districts and ARBs* and *Appraisal District Litigation and Arbitration*.

S.B. 913

Author: Seliger

Amends/Enacts: §313.027

Status: Pending in Senate Natural Resources and Economic Development Committee

This bill concerning supplemental payments to a school district by a recipient of a school value freeze is virtually identical to H.B. 1618 discussed above.

S.B. 1026

Author: Estes

Amends/Enacts: §313.024

Status: Pending in Senate Natural Resources and Economic Development Committee

The Economic Development Act contains a fairly obscure provision saying that if a “single unified project” is developed in two or more school districts, the qualifying jobs in one district may satisfy the requirement for qualifying jobs in another school district, provided that the rules of the Texas Economic Development and Tourism Office are satisfied. This bill would repeal that provision.

S.B. 1027

Author: Estes

Amends/Enacts: §313.025 Tax Code

Status: Pending in Senate Natural Resources and Economic Development Committee

The Economic Development Act also contains a provision that, under certain circumstances allows a school board to approve an application for value freeze even though the applicant is not proposing to create the required number of new jobs if the board finds that the jobs-creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the proposed facility. This bill would repeal that provision.

S.B. 2208

Author: Hancock

Amends/Enacts: §§5.04, 5.102, Tax Code and related parts of the Education Code

Status: Pending in Senate Business and Commerce Committee

Property tax professionals would be regulated by the Comptroller, rather than the Texas Department of Licensing and Regulation

