

By: Shaheen

H.B. No. 2655

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the authority of an appraisal district to increase the
3 appraised value of real property for ad valorem tax purposes
4 following a specified period after a tax year in which the appraised
5 value of the property is determined in an agreement, protest, or
6 appeal.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

8 SECTION 1. Section 23.01, Tax Code, is amended by amending
9 Subsection (e) and adding Subsection (e-1) to read as follows:

10 (e) Notwithstanding any provision of this subchapter to the
11 contrary, if the appraised value of property in a tax year is
12 lowered under Subtitle F, the appraised value of the property as
13 finally determined under that subtitle is considered to be the
14 appraised value of the property for that tax year. In the next two
15 tax years [~~year~~] in which the property is appraised, the chief
16 appraiser may not increase the appraised value of the property
17 except as provided by this subsection or Subsection (e-1) [~~unless~~
18 ~~the increase by the chief appraiser is reasonably supported by~~
19 ~~clear and convincing evidence when all of the reliable and~~
20 ~~probative evidence in the record is considered as a whole~~]. If the
21 appraised value is finally determined in a protest under Section
22 41.41(a)(2) or an appeal under Section 42.26, the chief appraiser
23 may [~~satisfy the requirement to reasonably support by clear and~~
24 ~~convincing evidence an~~] increase [~~in~~] the appraised value of the

1 property in the next tax year in which the property is appraised if
2 the chief appraiser determines, and can present clear and
3 convincing [~~by presenting~~] evidence showing, that the inequality in
4 the appraisal of property has been corrected with regard to the
5 properties that were considered in determining the value of the
6 subject property. The burden of proof is on the chief appraiser to
7 support an increase in the appraised value of property under [~~the~~
8 ~~circumstances described by~~] this subsection and Subsection (e-1).

9 (e-1) The chief appraiser may increase the appraised value
10 of property in either or both of the next two tax years in which the
11 property is appraised following a tax year in which the appraised
12 value of the property is lowered under the circumstances described
13 by Subsection (e) if:

14 (1) the increase is agreed to in writing by the
15 property owner and the chief appraiser; or

16 (2) following a physical inspection of the property,
17 the chief appraiser determines, and can present clear and
18 convincing evidence showing, that:

19 (A) the appraised value of the property has
20 increased as a result of a substantial improvement made to the
21 property; or

22 (B) there is an error in the appraisal records
23 that increases the appraised value of the property.

24 SECTION 2. The changes in law made by this Act apply only to
25 the appraisal of property for a tax year that begins on or after the
26 effective date of this Act.

27 SECTION 3. This Act takes effect January 1, 2024.