

BILL ANALYSIS

Senate Research Center
78R2491 RCJ-F

S.B. 291
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Finance
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As Filed

DIGEST AND PURPOSE

The 75th Texas Legislature amended Section 42.26, Property Tax Code, to provide that a “district court shall grant relief on the ground that a property is appraised unequally if the appraised value of the property exceeds the median appraised value of a reasonable number of comparable properties, appropriately adjusted.” The bill provided that a property should be treated like other similar properties. However, the courts have misunderstood the legislative intent when equity is an issue. As proposed, S.B. 291 broadens the interpretation of “median level” of appraisal and sets the standard estimate made annually by the comptroller’s office, Property Tax Division, based on studies of each school district’s appraisal roll and the appraisal district.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 42.26(d), Tax Code, to require the district court to grant relief on the ground that a property is appraised unequally if the appraised value of the property exceeds the median market, rather than appraised, value of a reasonable number of comparable properties similarly situated to, or of the same general kind or character as, the property subject to the appeal, appropriately adjusted. Authorizes the comparable properties to include the property subject to the appeal.

SECTION 2. (a) Effective date: September 1, 2003.

(b) Makes application of this Act prospective.