

By: Mowery

H.B. No. 396

A BILL TO BE ENTITLED

AN ACT

relating to appeals to small claims courts of certain ad valorem tax determinations.

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

SECTION 1. Section 41.47(e), Tax Code, is amended to read as follows:

(e) The notice of the issuance of the order must contain a prominently printed statement in upper-case bold lettering informing the property owner in clear and concise language of the property owner's right to appeal the board's decision to district court or to small claims court if the amount of taxes in dispute is within the jurisdiction of a small claims court. The statement must describe the deadline prescribed by Section 42.06(a) [~~of this code~~] for filing a written notice of appeal[7] and the deadline prescribed by Section 42.21(a) [~~of this code~~] for filing the petition for review with the appropriate [~~district~~] court.

SECTION 2. The heading to Subchapter B, Chapter 42, Tax Code, is amended to read as follows:

SUBCHAPTER B. JUDICIAL REVIEW [~~BY DISTRICT COURT~~]

SECTION 3. Section 42.21(a), Tax Code, is amended to read as follows:

(a) A party who appeals as provided by this chapter must file a petition for review with the appropriate [~~district~~] court within 45 days after the party received notice that a final order

1 has been entered from which an appeal may be had. Failure to timely  
2 file a petition bars any appeal under this chapter.

3 SECTION 4. Subchapter B, Chapter 42, Tax Code, is amended by  
4 adding Section 42.211 to read as follows:

5 Sec. 42.211. JURISDICTION. (a) Except as provided by this  
6 section, an appeal under this subchapter must be made to a district  
7 court.

8 (b) A property owner may appeal an order of an appraisal  
9 review board under Section 42.01(1) to a small claims court if the  
10 amount of taxes due on the portion of the taxable value of the  
11 property that is in dispute is an amount that is within the  
12 jurisdiction of that small claims court.

13 (c) If the small claims court determines that the appeal is  
14 not within the court's jurisdiction, the court shall dismiss the  
15 appeal. In that event, the property owner may appeal the order to  
16 district court by filing a petition for review with the district  
17 court not later than the 30th day after the date of the dismissal.

18 SECTION 5. Section 42.22, Tax Code, as amended by Chapters  
19 667 and 1033, Acts of the 73rd Legislature, Regular Session, 1993,  
20 is reenacted and amended to read as follows:

21 Sec. 42.22. VENUE. (a) Except as provided by Subsections  
22 (b) and (c), and by Section 42.221, venue in an appeal to district  
23 court is in the county in which the appraisal review board that  
24 issued the order appealed is located.

25 (b) Venue of an action brought under Section 42.01(1) in  
26 district court is in the county in which the property is located or  
27 in the county in which the appraisal review board that issued the

1 order is located.

2 (c) Venue is in Travis County if the order appealed was  
3 issued by the comptroller.

4 (d) Venue of an action brought under Section 42.01(1) in  
5 small claims court is:

6 (1) in any justice precinct in the county in which the  
7 appraisal review board that issued the order appealed is located;  
8 or

9 (2) in any justice precinct in which the property  
10 subject to the order is located in whole or in part.

11 SECTION 6. Section 42.23(a), Tax Code, is amended to read as  
12 follows:

13 (a) Review is by trial de novo. The [~~district~~] court shall  
14 try all issues of fact and law raised by the pleadings in the manner  
15 applicable to civil suits generally.

16 SECTION 7. Section 42.24, Tax Code, is amended to read as  
17 follows:

18 Sec. 42.24. ACTION BY COURT. In determining an appeal, the  
19 [~~district~~] court may:

20 (1) fix the appraised value of property in accordance  
21 with the requirements of law if the appraised value is at issue;

22 (2) enter the orders necessary to ensure equal  
23 treatment under the law for the appealing property owner if  
24 inequality in the appraisal of the owner's [~~his~~] property is at  
25 issue; or

26 (3) enter other orders necessary to preserve rights  
27 protected by and impose duties required by the law.

1 SECTION 8. Sections 42.26(a) and (d), Tax Code, are amended  
2 to read as follows:

3 (a) The [~~district~~] court shall grant relief on the ground  
4 that a property is appraised unequally if the appraisal ratio of the  
5 property exceeds by at least 10 percent the median level of  
6 appraisal of:

7 (1) a reasonable and representative sample of other  
8 properties in the appraisal district; or

9 (2) a sample of properties in the appraisal district  
10 consisting of a reasonable number of other properties similarly  
11 situated to, or of the same general kind or character as, the  
12 property subject to the appeal.

13 (d) The [~~district~~] court shall grant relief on the ground  
14 that a property is appraised unequally if the appraised value of the  
15 property exceeds the median appraised value of a reasonable number  
16 of comparable properties appropriately adjusted.

17 SECTION 9. Subchapter B, Chapter 42, Tax Code, is amended by  
18 adding Section 42.27 to read as follows:

19 Sec. 42.27. APPEAL OF SMALL CLAIMS COURT JUDGMENT. (a) A  
20 property owner may appeal a final judgment of a small claims court  
21 under this chapter. A party other than a property owner may not  
22 appeal the final judgment.

23 (b) An appeal under this section is governed by the law for  
24 the appeal of civil suits generally.

25 SECTION 10. Section 42.28, Tax Code, is amended to read as  
26 follows:

27 Sec. 42.28. APPEAL OF DISTRICT COURT JUDGMENT. A party may

1 appeal the final judgment of a [~~the~~] district court under this  
2 chapter as provided by law for appeal of civil suits generally,  
3 except that an appeal bond is not required of the chief appraiser,  
4 the county, the comptroller, or the commissioners court.

5 SECTION 11. (a) This Act takes effect September 1, 2003.

6 (b) The change in law made by this Act applies to the appeal  
7 of an order of an appraisal review board without regard to whether  
8 the order was issued before the effective date of this Act.