

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 20, 2003

TO: Honorable Fred Hill, Chair, House Committee on Local Government Ways and Means

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB894 by Haggerty (Relating to the limitation on an award of attorney's fees to a property owner who prevails in certain ad valorem tax appeals.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Section 42.29 of the Tax Code, relating to the award of attorney's fees to a property owner who prevails in certain ad valorem appeals.

The bill would change the amount that the award could not exceed to the greater of: a) \$15,000, or b) an amount not to exceed \$100,000, equal to 20 percent of the total amount by which the property owner's tax liability was reduced as a result of the appeal.

Under current law, the cap is the greater of: a) \$15,000, or b) 20 percent of the total amount by which the property owner's tax liability was reduced as a result of the appeal.

Local Government Impact

The Comptroller's most recent Appraisal District Operations Report shows that appraisal districts reported 2,400 district court lawsuits filed in 2001. The proposed cap on attorney's fees could reduce attorney's fees by an undetermined amount, thereby saving appraisal districts on awards paid to plaintiffs in district court lawsuits.

Source Agencies: 212 Office Of Court Administration, Texas Judicial Council, 304 Comptroller Of Public Accounts

LBB Staff: JK, SD, WP, BR