

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 2, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1460 by Eiland (Relating to the income method of appraisal of real property for ad valorem tax purposes.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the chief appraiser, when using the income approach to value property, to use income and expense data rather than rental income and expense data. By requiring the chief appraiser to use a property's income rather than rental income, the bill would conform the Tax Code to generally accepted appraisal practices in the appraisal of income-producing property. Consequently, passage of the bill would have no significant fiscal impact on the State and units of local government.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JK, SD, WP, DLBe