

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**April 28, 2003**

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

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB3424** by Lewis (Relating to the qualification for appraisal and the appraisal of qualified restricted-use timber land.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

This bill would amend the qualification and appraisal of restricted-use timber land. The bill would: 1) reduce the maximum qualification period for restricted-use timber land from 10 years to five years; 2) limit to 1000 acres the amount of land in a county a person (legal or natural) could qualify for restricted-use timber land; and 3) increase the appraised value of qualified restricted-use timber land from one-half to three-fourths of the calculated productivity value.

Section 403.302 of the Government Code requires the Comptroller to conduct a property value study to determine the total taxable value for each school district. Total taxable value is an element in the state's school funding formula. Passage of this bill would increase school district taxable values reported to the Commissioner of Education by the Comptroller and reduce costs to the Foundation School Fund. Since the value of qualified timber land accounts for a small percentage of the total taxable property value, it is assumed that the increase in total tax levies to units of local government and the related savings to the Foundation School Fund would not be significant.

**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