

BILL ANALYSIS

C.S.H.B. 1984
By: Bohac
Local Government Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

House Bill 1984 deals with the information that appears on a taxpayer's property tax bill. It would require a five-year property tax analysis be printed on their annual tax bill to make it clear how their property taxes have changed from year to year. This would include the appraised value, taxable value, tax rate and total amount of taxes imposed on the property by each taxing unit for each of the previous five years and the percent change from year to year.

In order to allow tax assessors the necessary time to prepare these reports, this bill gives them until 2012 to fully comply with this requirement in case some of the older tax history has not been archived.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1984 amends Section 25.19 of the Tax Code, by adding Subsection (b-1) to require the chief appraiser to state the appraised value and the taxable value for the current year and each of the preceding five years in a notice required to be delivered, including the differences in percentage terms compared to the preceding tax year and the differences in percentage terms as compared to the fifth tax year before the current tax year.

C.S.H.B. 1984 amends Section 31.01 of the Tax Code, by amending Subsection (c) to require that the tax bill or a separate statement accompanying the tax bill state for the current tax year and each of the preceding five tax years: the appraised value and taxable value of the property, the total tax rate for the unit, the amount of taxes imposed on the property by the unit, and the difference, expressed as a percent increase or decrease, as applicable, in the amount of taxes imposed on the property by the unit compared to the amount imposed for the preceding tax year.

C.S.H.B. 1984 amends Section 31.01 of the Tax Code, by amending Subsection (c) to require that the tax bill or a separate statement accompanying the tax bill state the differences, expressed as a percent increase or decrease, as applicable, in the following for the current tax year as compared to the fifth tax year before that year: the appraised value and taxable value of the property, the total tax rate for the unit, and the amount of taxes imposed on the property by the unit.

In addition, C.S.H.B. 1984 amends Section 31.01 of the Tax Code, by adding Subsection (c-1) to provide that if any of this required information is unavailable for any of the preceding six tax years, the tax bill or statement must state that the information is not available for that year. This subsection expires December 31, 2011 in order to give tax assessors enough time to fully comply with this requirement in the event that older tax history has not been archived.

EFFECTIVE DATE

This Act takes effect January 1, 2006.

COMPARISON OF ORIGINAL TO SUBSTITUTE

In addition to the requirements for an ad valorem tax bill in the original version, the substitute requires that a notice of appraised value provide the appraised value and taxable value of the property for the current tax year and for each of the preceding five years, the percent increase or decrease in appraised value and taxable value between each of the tax years, and an overall percent increase or decrease in appraised value and taxable value for the current tax year as compared to the fifth tax year before the current tax year.