

By: Staples

S.B. No. 1650

A BILL TO BE ENTITLED

AN ACT

relating to the state administration of taxation.

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

SECTION 1. Section 403.303(b), Government Code, is amended to read as follows:

(b) After receipt of a petition, the comptroller shall hold a hearing. The comptroller has the burden to prove the accuracy of the findings. Until a final decision is made by the comptroller, the taxable value of property in the district is determined, with respect to property subject to the protest, according to the value claimed by the school district or property owner, except that the value to be used while a final decision is pending may not be less than the appraisal roll value for the year of the study. If after a hearing the comptroller concludes that the findings should be changed, the comptroller shall order the appropriate changes and shall certify ~~[the changes]~~ to the commissioner of education the changes in the values of the school district that brought the protest, the values of the school district named by the property owner who brought the protest, or, if the comptroller by rule allows an appraisal district to bring a protest, the values of the school district named by the appraisal district that brought the protest. The comptroller may not order a change in the values of a school district as a result of a protest brought by another school district, a property owner in the other school district, or an

1 appraisal district that appraises property for the other school
2 district. The comptroller shall complete all protest hearings and
3 certify all changes as necessary to comply with Chapter 42,
4 Education Code. A hearing conducted under this subsection is not a
5 contested case for purposes of Section 2001.003.

6 SECTION 2. Sections 5.05(a) and (b), Tax Code, are amended
7 to read as follows:

8 (a) The comptroller may [~~shall~~] prepare and issue
9 publications relating to the appraisal of property and the
10 administration of taxes, or may approve other publications relating
11 to those matters, including materials published by The Appraisal
12 Foundation, the International Association of Assessing Officers,
13 or other professionally recognized organizations, for use in the
14 administration of property taxes, including:

- 15 (1) a general appraisal manual;
- 16 (2) special appraisal manuals as authorized by law;
- 17 (3) cost, price, and depreciation schedules as
18 authorized by law[~~, with provision for inserting local market index~~
19 ~~factors and with a standard procedure for determining local market~~
20 ~~index factors~~];
- 21 (4) periodic news and reference bulletins;
- 22 (5) an annotated version of this title and Title 3
23 [~~digests of all laws relating to property taxation~~]; and
- 24 (6) a handbook containing selected laws and [~~of~~] all
25 rules promulgated by the comptroller relating to the property tax
26 and its administration.

27 (b) The comptroller shall revise or supplement all

1 materials issued by the comptroller or approve other publications
2 periodically as necessary to keep them current.

3 SECTION 3. Section 111.301(a), Tax Code, is amended to read
4 as follows:

5 (a) An eligible person is entitled to a refund of state
6 sales and use taxes imposed under Chapter 151 and state franchise
7 taxes imposed under Chapter 171 paid in a calendar year for which
8 the person paid ad valorem taxes to a school district on property
9 that in that year is:

10 (1) located in a reinvestment zone established under
11 Chapter 312;

12 (2) exempt in whole or in part from the payment of ad
13 valorem taxes imposed by a municipality or a county under a tax
14 abatement agreement entered into with the municipality or county
15 under Chapter 312; and

16 (3) not subject to a tax abatement agreement or an
17 agreement to limit the appraised value of property under Chapter
18 313 entered into by the school district.

19 SECTION 4. Section 111.304, Tax Code, is amended to read as
20 follows:

21 Sec. 111.304. EVALUATION; BIENNIAL [~~ANNUAL~~] REPORT. Not
22 later than December 31 [~~1~~] of each even-numbered year, the
23 comptroller shall submit a [~~an annual~~] report to the legislature.
24 The report:

25 (1) must document the applications for refunds filed
26 with the comptroller under this subchapter;

27 (2) must document the refunds paid by the comptroller

1 under this chapter; and

2 (3) may include any other relevant information that
3 the comptroller determines is applicable to this subchapter or to
4 Chapter 312.

5 SECTION 5. Section 39.903(e), Utilities Code, as amended by
6 Chapters 1394, 1451, and 1466, Acts of the 78th Legislature,
7 Regular Session, 2003, is reenacted and amended to read as follows:

8 (e) Money in the system benefit fund may be appropriated to
9 provide funding solely for the following regulatory purposes, ~~and~~
10 in the following order of priority:

11 (1) programs to assist low-income electric customers
12 by providing the 10 percent reduced rate prescribed by Subsection
13 (h);

14 (2) customer education programs, administrative
15 expenses incurred by the commission in implementing and
16 administering this chapter, and expenses incurred by the office
17 under this chapter;

18 (3) programs to assist low-income electric customers
19 by providing the targeted energy efficiency programs described by
20 Subsection (f)(2);

21 (4) ~~[the school funding loss mechanism provided by~~
22 ~~Section 39.901,~~

23 ~~[(5)]~~ programs to assist low-income electric
24 customers by providing the 20 percent reduced rate prescribed by
25 Subsection (h); and

26 (5) ~~[(6)]~~ reimbursement to the commission and the
27 Health and Human Services Commission ~~[Texas Department of Human~~

1 ~~Services]~~ for expenses incurred in the implementation and
2 administration of an integrated eligibility process created under
3 Section 17.007 for customer service discounts relating to retail
4 electric service, including outreach expenses the commission
5 determines are reasonable and necessary.

6 SECTION 6. Section 39.901, Utilities Code, is repealed.

7 SECTION 7. This Act takes effect September 1, 2005.