

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

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**April 13, 2007**

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

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB1680** by Swinford (Relating to the required payment of taxes by property owners who appeal certain ad valorem tax determinations.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend Section 42.08 of the Tax Code to change the amount that an owner of property that makes up more than 20 percent of the taxable value of all property included on the appraisal roll for any taxing unit must pay on the property before the delinquency date in order to proceed to a district court determination of appeal.

Current law allows an owner, before proceeding to district court, to pay taxes on the property the lesser of: 1) the amount of taxes due on the portion of the taxable value of the property that is not in dispute; or 2) the amount of taxes due on the property under the order from which the appeal is taken. Under the bill, the amount to be paid would be the amount of taxes due on the property under the appraisal review board order from which the district court appeal was taken.

Because the state is constitutionally prohibited from imposing a state property tax, there would be no direct fiscal impact on the state.

Passage of the bill would result in a large number of taxpayers paying a greater undetermined amount of taxes to taxing units in order to proceed with a lawsuit in state district court. The Comptroller's Property Tax Division does not receive or maintain information from appraisal districts or taxing units that would be helpful in determining the impact of the bill.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2007. It would apply only to a district court appeal filed on or after the effective date of the bill.

**Local Government Impact**

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**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JOB, CT, SD, SJS