

## **BILL ANALYSIS**

H.B. 1202  
By: Rose  
Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Provisions of the Tax Code establish the process for judicial review of an order by an appraisal review board. A property owner who appeals a decision of an appraisal review board is required to pay each taxing unit that imposes taxes against the property, prior to the delinquency date, the undisputed amount of taxes due, or the amount of taxes due pursuant to the appraisal review board order. A property owner who fails to pay taxes prior to the delinquency date forfeits the right to appeal.

A party to an appeal may file a motion to determine whether a property owner has complied with the prepayment requirements. Upon such motion, the court must hold a hearing to determine compliance. In most situations, taxing units are not a party to the appeal and consequently do not receive notice of the hearing. By requiring notice of the hearing to be given to each taxing unit and authorizing those units to intervene in the appeal, taxing units will be able to assist the court in determining compliance and in protecting their right to the timely receipt of tax revenue.

H.B. 1202 requires a party who files a motion for a hearing to review a property owner's compliance with certain tax prepayment requirements to mail notice of the hearing to each taxing unit that imposes taxes on the unit. The bill permits a taxing unit, at its discretion, to intervene in an appeal for the limited purpose of determining whether a property owner has complied with the prepayment requirement.

### **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**

H.B. 1202 amends the Tax Code to require a party who files a motion for a hearing to review and determine a property owner's compliance with the requirement that the owner pay taxes on the property subject to an appeal for judicial review of an appraisal review board or comptroller of public accounts order to mail notice of the hearing by certified mail, return receipt requested, to the collector for each taxing unit that imposes taxes on the property not later than the 45th day before the date of the hearing. The bill authorizes a taxing unit that imposes taxes on the property concerned, regardless of whether the collector for the taxing unit receives the required notice, to intervene in a property owner's appeal and participate in the proceedings for the limited purpose of determining whether the property owner has complied with such requirements. The bill establishes that the taxing unit is entitled to process for witnesses and evidence and to be heard by the court. The bill makes its provisions relating to intervention by a taxing unit in an appeal applicable to an appeal pending on the effective date of the bill.

### **EFFECTIVE DATE**

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1,

2009.

81R 20862

9.92.622