

By: Otto

H.B. No. 2

A BILL TO BE ENTITLED

AN ACT

relating to the appraisal of property, including residence homesteads, for ad valorem tax purposes.

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

ARTICLE 1. CONSOLIDATED APPRAISAL REVIEW BOARDS

SECTION 1.01. Section 6.41, Tax Code, is amended by adding Subsections (g) and (h) to read as follows:

(g) Subsection (a) does not preclude the boards of directors of two or more adjoining appraisal districts from providing for the operation of a consolidated appraisal review board by interlocal contract.

(h) When adjoining appraisal districts by interlocal contract have provided for the operation of a consolidated appraisal review board:

(1) a reference in this or another section of this code to the appraisal district means the adjoining appraisal districts;

(2) a reference in this or another section of this code to the appraisal district board of directors means the boards of directors of the adjoining appraisal districts;

(3) a provision of this code that applies to an appraisal review board also applies to the consolidated appraisal review board; and

(4) a reference in this code to the appraisal review board shall be construed to also refer to the consolidated

1 appraisal review board.

2 SECTION 1.02. This article takes effect only if the  
3 constitutional amendment proposed by the 81st Legislature, Regular  
4 Session, 2009, authorizing the legislature to authorize a single  
5 board of equalization for two or more adjoining appraisal entities  
6 that elect to provide for consolidated equalizations is approved by  
7 the voters. If that amendment is not approved by the voters, this  
8 article has no effect.

9 ARTICLE 2. APPRAISAL OF RESIDENCE HOMESTEADS

10 SECTION 2.01. Section 23.01, Tax Code, is amended by adding  
11 Subsection (c) to read as follows:

12 (c) The market value of a residence homestead shall be  
13 determined solely on the basis of the property's value as a  
14 residence homestead, regardless of whether the residential use of  
15 the property by the owner is considered to be the highest and best  
16 use of the property.

17 SECTION 2.02. This article takes effect only if the  
18 constitutional amendment proposed by the 81st Legislature, Regular  
19 Session, 2009, authorizing the legislature to provide for the ad  
20 valorem taxation of a residence homestead solely on the basis of the  
21 property's value as a residence homestead is approved by the  
22 voters. If that amendment is not approved by the voters, this  
23 article has no effect.

24 ARTICLE 3. APPLICABILITY; EFFECTIVE DATE

25 SECTION 3.01. This Act applies only to an ad valorem tax  
26 year that begins on or after the effective date of this Act.

27 SECTION 3.02. This Act takes effect January 1, 2010.