

By: Parker

H.B. No. 1092

A BILL TO BE ENTITLED

AN ACT

relating to the authority of the voters of a county to allow the owners of certain real property to require that county and any municipal ad valorem taxes be imposed on that real property on the basis of a five-year average of the property's value.

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

SECTION 1. Section 25.19, Tax Code, is amended by adding Subsection (b-3) to read as follows:

(b-3) For real property located in a county in which the voters have approved the alternative method for calculating county and municipal taxes under Section 26.095, other than land appraised as provided by Subchapter C, D, E, or H, Chapter 23, in addition to the information required by Subsections (b), (b-1), (b-2), and (f), the chief appraiser shall state in a notice required to be delivered under Subsection (a) or (g):

(1) the taxable value of the property in each of the four years preceding the current tax year;

(2) the average taxable value of the property over the five-year period ending with the current tax year; and

(3) a statement that the property owner may elect to require county taxes and any municipal taxes for the current tax year and the next four tax years to be imposed on the property on the basis of the five-year average taxable value in each year instead of on the basis of the taxable value for that year by filing a request

1 with the chief appraiser, including an explanation of the deadline
2 for filing the request.

3 SECTION 2. Section 26.09(c), Tax Code, is amended to read as
4 follows:

5 (c) Except as provided by Section 26.095, the ~~[The]~~ tax is
6 calculated by:

7 (1) subtracting from the appraised value of a property
8 as shown on the appraisal roll for the unit the amount of any
9 partial exemption allowed the property owner that applies to
10 appraised value to determine net appraised value;

11 (2) multiplying the net appraised value by the
12 assessment ratio to determine assessed value;

13 (3) subtracting from the assessed value the amount of
14 any partial exemption allowed the property owner to determine
15 taxable value; and

16 (4) multiplying the taxable value by the tax rate.

17 SECTION 3. Chapter 26, Tax Code, is amended by adding
18 Section 26.095 to read as follows:

19 Sec. 26.095. ALTERNATIVE METHOD FOR CALCULATION OF COUNTY
20 AND MUNICIPAL TAX ON CERTAIN REAL PROPERTY. (a) At an election
21 held in the county, the voters may allow an owner of real property
22 other than land appraised as provided by Subchapter C, D, E, or H,
23 Chapter 23, to require that county taxes and any municipal taxes on
24 the owner's real property be calculated under the method provided
25 by this section.

26 (b) An election authorized by this section is called by the
27 adoption of an order by the commissioners court of the county.

1 (c) The commissioners court shall call an election if a
2 number of qualified voters of the county equal to at least 10
3 percent of the number of voters in the county who voted in the most
4 recent gubernatorial election petition the commissioners court to
5 call the election.

6 (d) An election under this section must be held on the next
7 uniform election date that occurs after the date of the election
8 order and that allows sufficient time to comply with the
9 requirements of other law.

10 (e) At an election under this section, the ballot shall be
11 prepared to permit voting for or against the proposition:
12 "Authorizing an optional method of assessing county and any
13 municipal ad valorem taxes on certain real property in (name of
14 county) on the basis of a five-year average value."

15 (f) If a majority of the qualified voters voting at the
16 election favor the proposition, for any tax year that begins after
17 the date of the canvass of the election, an owner of real property
18 other than land appraised as provided by Subchapter C, D, E, or H,
19 Chapter 23, may elect to require that the county tax and any
20 municipal tax imposed on that property for the current tax year and
21 each of the subsequent four tax years be calculated on the basis of
22 the average taxable value of the property over the five-year period
23 ending with the tax year for which the taxes are imposed.

24 (g) To require that the county tax and any municipal tax be
25 calculated under this section, the owner of the property must file a
26 request with the chief appraiser of the appraisal district
27 established for the county or that appraises property for the

1 county. The request must include a statement by the property owner
2 requesting that for the current tax year and each of the subsequent
3 four tax years, the county and any municipal taxes on the property
4 described in the request be calculated under the method described
5 by Subsection (f), subject to Subsections (i)-(k). If the real
6 property is appraised for municipal taxation by another appraisal
7 district, the chief appraiser shall forward a copy of the property
8 owner's request to the chief appraiser of the other appraisal
9 district. The comptroller by rule shall prescribe the form of the
10 request.

11 (h) A completed request must be filed not later than the
12 later of June 15 or, if the notice is required to be delivered to the
13 property owner, the 21st day after the date the property owner
14 receives notice of the appraised value of the real property for the
15 current tax year. If a property owner timely files a completed
16 request with the chief appraiser, the county tax and any municipal
17 tax for the current tax year on the real property described in the
18 request shall be calculated under the method described by
19 Subsection (f). If a property owner fails to timely file a
20 completed request, the county tax and any municipal tax may not be
21 calculated under the method described by Subsection (f) unless in a
22 prior tax year the property owner requested the taxes on the
23 property to be calculated under that method in the current tax year
24 as one of the subsequent four years covered by the request made in
25 the prior tax year.

26 (i) Notwithstanding Subsection (g), the owner of real
27 property who has previously requested that county and any municipal

taxes on the property be calculated under the method described by Subsection (f) may waive the owner's entitlement to taxation of that property under that method in the current tax year. A waiver under this subsection must be made in writing and filed with the chief appraiser of the appraisal district established for the county or that appraises property for the county not later than the later of June 15 or, if the notice is required to be delivered to the property owner, the 21st day after the date the property owner receives notice of the appraised value of the real property for the current tax year.

(j) If a property owner timely files a waiver under Subsection (i):

(1) the county tax and any municipal tax for the current tax year on the real property described in the waiver may not be calculated under the method described by Subsection (f); and

(2) an additional tax is imposed on the real property equal to the positive difference, if any, between the taxes imposed on the property for each of the five preceding tax years, if any, in which county and any municipal taxes on the property were calculated under the method described by Subsection (f) and the taxes that would have been imposed had those taxes on the property in each of those tax years not been calculated under that method.

(k) A tax lien attaches to the real property to secure payment of the additional tax imposed by Subsection (j). The lien exists in favor of the county and the municipality, if any, for which the additional tax is imposed.

SECTION 4. Section 31.01, Tax Code, is amended by adding

1 Subsection (c-2) to read as follows:

2 (c-2) For real property located in a county in which the
3 voters have approved the alternative method for calculating county
4 and municipal taxes under Section 26.095, other than land appraised
5 as provided by Subchapter C, D, E, or H, Chapter 23, in addition to
6 the information required by Subsections (c) and (c-1), the assessor
7 for the county shall include in the tax bill or separate statement
8 the average taxable value of the property over the five-year period
9 ending with the current tax year.

10 SECTION 5. This Act applies only to ad valorem taxes imposed
11 for a tax year beginning on or after the effective date of this Act.

12 SECTION 6. This Act takes effect January 1, 2010, but only
13 if the constitutional amendment authorizing the legislature to
14 permit the voters of a county to allow an owner of real property
15 other than land appraised for agricultural use or timber production
16 to require that county and any municipal ad valorem taxes be imposed
17 on the real property on the basis of a five-year average of the
18 property's value is approved by the voters. If that amendment is
19 not approved by the voters, this Act has no effect.