

By: Coleman

H.B. No. 3010

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the authority of a chief appraiser to audit a rendition
3 statement or property report delivered to the chief appraiser.

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

5 SECTION 1. Subchapter B, Chapter 22, Tax Code, is amended by
6 adding Section 22.31 to read as follows:

7 Sec. 22.31. INVESTIGATIONS AND AUDITS. (a) The chief
8 appraiser, or a person authorized by the chief appraiser in
9 writing, shall:

10 (1) examine, copy, and photograph the books, records,
11 and papers of a person who files a rendition statement or property
12 report required by this chapter to verify the accuracy of the
13 statement or report; and

14 (2) by delivery of written notice to the property
15 owner or to an employee, representative, or agent of the property
16 owner, not later than the 10th working day after the date the notice
17 is delivered, require the property owner to produce to the chief
18 appraiser or an agent or designated representative of the chief
19 appraiser for inspection the books, records, and papers used as a
20 basis for the preparation of the rendition statement or property
21 report.

22 (b) If the chief appraiser determines as the result of an
23 investigation under this section that the chief appraiser's
24 reliance on a rendition statement or property report resulted in

1 the omission or undervaluation of taxable property in the current
2 tax year or in any one of the five preceding tax years, the chief
3 appraiser shall add the omitted property or the portion of the
4 appraised value of undervalued property that was erroneously
5 omitted for each tax year to the appraisal roll as provided by
6 Section 25.21 for other property that escapes taxation.

7 (c) The chief appraiser may not conduct an investigation of
8 a property owner under this section more frequently than once every
9 three years, except that if the chief appraiser takes action under
10 Subsection (b) as a result of an investigation of a property owner,
11 the chief appraiser may conduct an investigation of the property
12 owner in the following year.

13 (d) Copies of books, records, or papers made or retained by
14 the chief appraiser or an agent or representative of the chief
15 appraiser in the course of an investigation under this section are
16 confidential to the same degree that a rendition statement or
17 property report is confidential under Section 22.27.

18 (e) The chief appraiser may not employ a person on a
19 contingency fee basis to conduct an audit under this section.

20 SECTION 2. (a) This Act applies only to ad valorem taxes
21 imposed for a tax year beginning on or after the effective date of
22 this Act and the rendition of property for ad valorem tax purposes
23 for a tax year that begins on or after that date.

24 (b) Section 22.31, Tax Code, as added by this Act,
25 authorizes the addition to an appraisal roll of omitted property or
26 the portion of the appraised value of undervalued property that was
27 erroneously omitted only for a tax year beginning on or after the

1 effective date of this Act.

2 SECTION 3. This Act takes effect January 1, 2008.