

By: Nichols

S.B. No. 1117

A BILL TO BE ENTITLED

AN ACT

relating to the appeal of certain ad valorem tax determinations through binding arbitration.

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

SECTION 1. Section 41A.01, Tax Code, is amended to read as follows:

Sec. 41A.01. RIGHT OF APPEAL BY PROPERTY OWNER. As an alternative to filing an appeal under Section 42.01, a property owner is entitled to appeal through binding arbitration under this chapter an appraisal review board order determining a protest concerning the appraised or market value of real property or tangible personal property held or used for the production of income if:

(1) the appraised or market value, as applicable, of the property as determined by the order is \$1 million or less; and

(2) the appeal does not involve any matter in dispute other than the determination of the appraised or market value of the property.

SECTION 2. Section 41A.06, Tax Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) To qualify to serve as an arbitrator in an arbitration proceeding concerning the appraised or market value of real property under this chapter, a person must:

(1) have completed at least 30 hours of training in

1 arbitration and alternative dispute resolution procedures from a
2 university, college, or legal or real estate trade association;

3 (2) be licensed as a real estate broker or salesperson
4 under Chapter 1101, Occupations Code, or be licensed or certified
5 as a real estate appraiser under Chapter 1103, Occupations Code;
6 and

7 (3) agree to conduct an arbitration for a fee that is
8 not more than 90 percent of the amount of the arbitration deposit
9 required by Section 41A.03.

10 (c) To qualify to serve as an arbitrator in an arbitration
11 proceeding concerning the appraised or market value of tangible
12 personal property held or used for the production of income under
13 this chapter, a person must:

14 (1) have completed at least 30 hours of training in
15 arbitration and alternative dispute resolution procedures from a
16 university, college, or legal association; and

17 (2) agree to conduct an arbitration for a fee that is
18 not more than 90 percent of the amount of the arbitration deposit
19 required by Section 41A.03.

20 SECTION 3. Section 41A.08(b), Tax Code, as added by Chapter
21 912 (H.B. 182), Acts of the 79th Legislature, Regular Session,
22 2005, is amended to read as follows:

23 (b) The parties to an arbitration proceeding under this
24 chapter may represent themselves or may be represented by:

25 (1) an employee of the appraisal district;

26 (2) an attorney who is licensed in this state;

27 (3) a person who is licensed as a real estate broker or

1 salesperson under Chapter 1101, Occupations Code, or is licensed or
2 certified as a real estate appraiser under Chapter 1103,
3 Occupations Code, if the arbitration proceeding concerns the
4 appraised or market value of real property; [~~or~~]

5 (4) a property tax consultant registered under Chapter
6 1152, Occupations Code; or

7 (5) a certified public accountant certified under
8 Chapter 901, Occupations Code, if the arbitration proceeding
9 concerns the appraised or market value of tangible personal
10 property held or used for the production of income.

11 SECTION 4. The change in law made by this Act applies to the
12 appeal of an order of an appraisal review board without regard to
13 whether the order was issued before the effective date of this Act.

14 SECTION 5. This Act takes effect September 1, 2009.