

By: Zaffirini

S.B. No. 2429

A BILL TO BE ENTITLED

AN ACT

relating to the appraisal of property for ad valorem tax purposes.

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

ARTICLE 1. ELECTION OF CHIEF APPRAISER

SECTION 1.01. Sections 6.035(a), (b), and (d), Tax Code, are amended to read as follows:

(a) An individual is ineligible to serve on an appraisal district board of directors or ~~[and is disqualified from employment]~~ as chief appraiser if the individual:

(1) is related within the second degree by consanguinity or affinity, as determined under Chapter 573, Government Code, to an individual who is engaged in the business of appraising property for compensation for use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the appraisal district; or

(2) owns property on which delinquent taxes have been owed to a taxing unit for more than 60 days after the date the individual knew or should have known of the delinquency unless:

(A) the delinquent taxes and any penalties and interest are being paid under an installment payment agreement under Section 33.02; or

(B) a suit to collect the delinquent taxes is deferred or abated under Section 33.06 or 33.065.

(b) A member of an appraisal district board of directors or

1 a chief appraiser commits an offense if the board member or chief
2 appraiser continues to hold office [~~or the chief appraiser remains~~
3 ~~employed~~] knowing that an individual related within the second
4 degree by consanguinity or affinity, as determined under Chapter
5 573, Government Code, to the board member or chief appraiser is
6 engaged in the business of appraising property for compensation for
7 use in proceedings under this title or of representing property
8 owners for compensation in proceedings under this title in the
9 appraisal district in which the member or chief appraiser serves
10 [~~or the chief appraiser is employed~~]. An offense under this
11 subsection is a Class B misdemeanor.

12 (d) An appraisal performed by a chief appraiser in a private
13 capacity or by an individual related within the second degree by
14 consanguinity or affinity, as determined under Chapter 573,
15 Government Code, to the chief appraiser may not be used as evidence
16 in a protest or challenge under Chapter 41 or an appeal under
17 Chapter 42 concerning property that is taxable in the appraisal
18 district in which the chief appraiser serves [~~is employed~~].

19 SECTION 1.02. The heading to Section 6.05, Tax Code, is
20 amended to read as follows:

21 Sec. 6.05. APPRAISAL OFFICE; CHIEF APPRAISER.

22 SECTION 1.03. Section 6.05, Tax Code, is amended by
23 amending Subsections (b) and (c) and adding Subsections (c-1),
24 (c-2), (c-3), and (j) to read as follows:

25 (b) The board of directors of an appraisal district may
26 contract with an appraisal office in another district [~~or with a~~
27 ~~taxing unit in the district~~] to perform the duties of the appraisal

1 office for the district.

2 (c) The chief appraiser is the chief administrator of the
3 appraisal office. The chief appraiser is elected at the general
4 election for state and county officers by the voters of the county
5 for which the appraisal district is established. The chief
6 appraiser serves a two-year term beginning on January 1 of each
7 odd-numbered year. To be eligible to be a candidate for or to serve
8 as chief appraiser, an individual must be a registered voter of the
9 county [~~appointed by and serves at the pleasure of the appraisal~~
10 ~~district board of directors. If a taxing unit performs the duties~~
11 ~~of the appraisal office pursuant to a contract, the assessor for the~~
12 ~~unit is the chief appraiser].~~

13 (c-1) Except as provided by this section, Chapter 144,
14 Election Code, applies to a candidate for the office of chief
15 appraiser of an appraisal district.

16 (c-2) An application for a place on the ballot must be filed
17 with the county judge of the county for which the appraisal district
18 is established and be accompanied by either a filing fee of \$200 or
19 a petition that contains at least 25 signatures of registered
20 voters of the county. A candidate's name may appear on the ballot
21 only as an independent candidate.

22 (c-3) A filing fee received under this section shall be
23 deposited in the county treasury to the credit of the county general
24 fund.

25 (j) If a vacancy occurs in the office of chief appraiser,
26 the county judge of the county for which the appraisal district is
27 established shall appoint a qualified person to fill the vacancy. A

1 person appointed to fill a vacancy serves for the remainder of the
2 unexpired term.

3 SECTION 1.04. Sections 6.411(a) and (b), Tax Code, are
4 amended to read as follows:

5 (a) A member of an appraisal review board commits an offense
6 if the member communicates with the chief appraiser or an [~~another~~]
7 employee of the appraisal district for which the appraisal review
8 board is established in violation of Section 41.66(f).

9 (b) A chief appraiser or an [~~another~~] employee of an
10 appraisal district commits an offense if the chief appraiser or
11 [~~other~~] employee communicates with a member of the appraisal review
12 board established for the appraisal district in a circumstance in
13 which the appraisal review board member is prohibited by Section
14 41.66(f) from communicating with the chief appraiser or [~~other~~]
15 employee.

16 SECTION 1.05. Section 52.092, Election Code, is amended by
17 adding Subsection (k) to read as follows:

18 (k) The secretary of state shall prescribe procedures for
19 listing the office of chief appraiser of an appraisal district on
20 the ballot.

21 SECTION 1.06. The chief appraiser of an appraisal district
22 shall be elected as provided by Section 6.05(c), Tax Code, as
23 amended by this Act, beginning with the general election for state
24 and county officers conducted in 2010. A chief appraiser then
25 elected takes office January 1, 2011.

26 SECTION 1.07. (a) The change in law made by this article
27 does not affect the selection of a chief appraiser serving before

1 January 1, 2011.

2 (b) A person serving as chief appraiser on December 31,
3 2010, vacates the position on January 1, 2011, unless the person is
4 elected as chief appraiser for the term of that office that begins
5 on January 1, 2011.

6 SECTION 1.08. (a) Except as provided by Subsection (b) of
7 this section, this article takes effect January 1, 2009.

8 (b) This section and Sections 1.05, 1.06, and 1.07 of this
9 article take effect September 1, 2009.

10 ARTICLE 2. APPRAISAL OF RESIDENCE HOMESTEADS

11 SECTION 2.01. Section 23.23, Tax Code, is amended by
12 amending Subsection (a) and adding Subsection (g) to read as
13 follows:

14 (a) Notwithstanding the requirements of Section 25.18 and
15 regardless of whether the appraisal office has appraised the
16 property and determined the market value of the property for the tax
17 year, an appraisal office may increase the appraised value of a
18 residence homestead for a tax year for purposes of taxation by a
19 taxing unit to an amount not to exceed the lesser of:

20 (1) the market value of the property for the most
21 recent tax year that the market value was determined by the
22 appraisal office; or

23 (2) the sum of:

24 (A) the lesser of:

25 (i) 10 percent of the appraised value of the
26 property for the preceding tax year; or

27 (ii) the percentage of the appraised value

1 of the property for the preceding tax year that is equal to the sum
2 of:

3 (a) the inflation rate as determined
4 by the comptroller under Subsection (g); and

5 (b) the percentage adopted by the
6 governing body of the taxing unit in the manner provided by law for
7 official action of the governing body, if the governing body elects
8 to authorize increases in the appraised value of residence
9 homesteads at a rate in excess of the inflation rate;

10 (B) the appraised value of the property for the
11 preceding tax year; and

12 (C) the market value of all new improvements to
13 the property.

14 (g) For each tax year, the comptroller shall determine the
15 inflation rate by using the index that the comptroller considers to
16 most accurately report changes in the purchasing power of the
17 dollar for consumers in this state and shall publicize that rate.
18 Each chief appraiser shall use the inflation rate as determined by
19 the comptroller under this subsection to determine the maximum
20 appraised value under Subsection (a) of a residence homestead
21 appraised by that chief appraiser.

22 SECTION 2.02. This article applies only to ad valorem taxes
23 imposed for a tax year beginning on or after the effective date of
24 this article.

25 SECTION 2.03. This article takes effect January 1, 2010,
26 but only if the constitutional amendment proposed by the 81st
27 Legislature, Regular Session, 2009, authorizing the legislature to

1 establish for purposes of ad valorem taxation by a political
2 subdivision a limit on the percentage by which the appraised value
3 of a residence homestead may be increased from the value for the
4 preceding tax year equal to the lesser of 10 percent or the sum of
5 the inflation rate and the percentage adopted by the governing body
6 of the political subdivision is approved by the voters. If that
7 amendment is not approved by the voters, this article has no effect.