

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 19, 2009

TO: Honorable Rene Oliveira, Chair, House Committee on Ways & Means

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1038 by Paxton (Relating to the determination of the market value of a residence homestead for purposes of ad valorem taxation.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 23 of the Tax Code, regarding property appraisal methods.

The bill would direct county chief appraisers when determining the market value of a residence homestead to not exclude from consideration the values of other property in the neighborhood that sold at foreclosure within the previous three years or that declined in value because of a declining economy.

The bill would take effect January 1, 2010.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 701 Central Education Agency

LBB Staff: JOB, MN, SD, SJS