

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 21, 2009

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

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

IN RE: HB4041 by Villarreal (Relating to an appeal from an order of an appraisal review board determining a protest.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 41A of the Tax Code, regarding property tax appraisal appeals and binding arbitration.

Under current law, an appeal through binding arbitration is restricted to appeals that do not involve any matter in dispute other than the determination of the appraised or market value of the property. This bill would remove that restriction.

The bill would also provide for an expedited arbitration with not more than one hour of argument and testimony by each side involved in the protest. The deposit for an expedited arbitration would be \$250, compared to the \$500 deposit for the existing arbitration process.

The bill would not affect ad valorem tax collections, but would only modify a part of the appeal process. The substantive rights of property owners would not be affected.

The bill would be effective September 1, 2009. Certain sections of the bill would expire September 1, 2012.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, MN, SD, SJS