

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 3, 2009

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

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

IN RE: HB4229 by Otto (Relating to the award of attorney's fees in a judicial appeal of certain ad valorem tax determinations.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 42 of the Tax Code, regarding judicial review of property appraisals.

The bill would allow the recovery of attorney's fees to a property owner who prevails in matters appealed to a district court concerning issues brought before the appraisal review board as described in Section 25.25 of this Code. Such issues include the correction of clerical errors, multiple appraisals in a tax year, the inclusion of property that does not exist, and an error that resulted in an appraised value that exceeds by more than one-third the correct appraised value.

The bill would not affect appraised values or tax rates, but could result in additional administrative costs to the appraisal districts. The increase in administrative costs cannot be estimated because the awards of attorney's fees would be up to the discretion of the district courts.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2009.

Local Government Impact

The bill would not affect appraised values or tax rates, but could result in additional administrative costs to the appraisal districts. The increase in administrative costs cannot be estimated because the awards of attorney's fees would be up to the discretion of the district courts.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, MN, SD, SJS