

BILL ANALYSIS

S.B. 1441
By: Ellis
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

A property owner who protests an action of the chief appraiser, appraisal district, or appraisal review board that applies to and adversely affects the property owner generally has to exhaust all possible claims before an appraisal review board before seeking judicial review. Interested parties contend that such interpretation of the law may preclude certain legitimate claims that could have been but were not presented to an appraisal review board from being raised in any suits before a district court or as a defense to delinquent property tax collection actions. Among these claims is a situation in which a taxpayer is taxed on property the taxpayer does not own. There is concern that as a result of past legislative action, such taxpayers who discover they are being taxed on property they do not own must wait until they are sued by a taxing unit and then often must hire an attorney to obtain relief from a district court from any tax liability for that property.

Current law allows a taxpayer to request that the local appraisal review board correct certain items in an appraisal roll for any of the preceding five years, such as overvaluations caused by clerical errors, multiple appraisals in a single tax year, and the inclusion of property that does not exist in the form or location shown on the appraisal roll. Conversely, an appraisal district may add real property that escaped appraisal retroactively for five years to the appraisal roll. However, an appraisal review board currently has no express authority to retroactively correct an erroneous taxation of property to a person who is not its owner. S.B. 1441 seeks to address such matters by authorizing an appraisal review board to remove a property from the name of a person who is not its owner, which consequently gives such appraisal district an opportunity to correct the error and appraise the property in the name of the correct owner before limitations expire.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 1441 amends the Tax Code to include, among the changes authorized to be made in an appraisal roll for any of the five preceding years under the direction of a written order by the appraisal review board on motion of either the chief appraiser or a property owner, the correction of an error in which property is shown as being owned by a person who did not own the property on January 1 of that tax year.

EFFECTIVE DATE

September 1, 2011.