

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 20, 2011

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

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

IN RE: SB1546 by Patrick (Relating to scheduling property tax appeal hearings and legal fees for judicial appeals.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would require the Comptroller to appoint a peer review committee to review complaints on property tax issues. The committee would consist of five members including two appraisal district employees, and three members of the public, one of whom must be an attorney, and none of whom may be property tax consultants. Within ninety days of each complaint, the committee would be required to respond to the complainant, the person against whom the complaint was filed, and the public. The response would specifically address whether changes are necessary to comply with relevant law. The committee would not have enforcement power.

The bill would specify that the cap on attorney's fees under Subsection 42.29(b) shall not apply if two or more times the comptroller's peer review committee has counseled an appraisal district or an appraisal review board to revise their policies to comply with a specific procedural issue and the same procedural violation is determined to have occurred in the subject appeal, if the issue is a violation of appraisal review board procedural requirements or if the appraisal district presented unlawful or fraudulent evidence at the hearing.

The bill would amend the Tax Code to require an appraisal review board to reschedule a hearing upon request if a property owner or agent, through human error, fails to attend an appraisal review board hearing.

The bill would provide a system to review property tax complaints, provide certain consequences for noncompliance with property tax laws and make certain procedural changes related to appraisal review board hearings. The bill would not, however, change appraised values, tax rates or any other variable affecting tax revenues and, consequently, would not create a fiscal impact for local taxing units or the state.

The bill would take effect on September 1, 2011.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KKR, SD, SJS