

BILL ANALYSIS

Senate Research Center
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S.B. 1076
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Finance
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, particularly in protest hearings for properties owned by a business or industrial taxpayer, the taxpayer or taxpayer's representative frequently needs to present evidence related to the value of the property which, should it fall into a competitor's hands, would place the business or industrial taxpayer at a competitive disadvantage. This impels many protesters to present no evidence at the tax appraisal review board hearing to support their contention that the property is appraised for more than its market value. In these instances, the appraisal review board typically upholds the appraisal district value and the case progresses to litigation, which is expensive both for the appraisal district and the property owner. Once in litigation, the property owner gives the appraisal district the relevant proprietary or confidential information in the pre-trial discovery process and the case is often settled without the confidential material ever being made public.

S.B. 1076 directs the appraisal review board to conduct a hearing that is closed to the public if the property owner or chief appraiser intends to present proprietary or confidential information at the hearing.

As proposed, S.B. 1076 amends current law relating to the circumstances under which an appraisal review board hearing shall be closed to the public.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 41.66, Tax Code, by amending Subsection (d) and adding Subsections (d-1) and (d-2), as follows:

(d) Provides that, except as provided by Subsection (d-1), hearings conducted as provided by this chapter are open to the public.

(d-1) Requires the appraisal review board, notwithstanding Chapter 551 (Open Meetings), Government Code, to conduct a hearing that is closed to the public if the property owner or the chief appraiser intends to disclose proprietary or confidential information at the hearing that will assist the review board in determining the protest. Authorizes the review board to hold a closed hearing under this subsection only on a joint motion by the property owner and the chief appraiser.

(d-2) Provides that information described by Subsection (d-1) is considered information obtained under Section 22.27 (Confidential Information).

SECTION 2. Effective date: upon passage or September 1, 2013.