

BILL ANALYSIS

Senate Research Center

S.B. 1256
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Finance
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law requires comparable sales for property appraisal purposes to be within the last two years unless "enough comparable properties were not sold during that period to constitute a representative sample." As a result, appraisal districts can go outside of the last two years provision as a matter of course on every property.

S.B. 1256 amends current law relating to the requirements for a sale to be considered a comparable sale for ad valorem tax purposes.

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 23.013, Tax Code, by adding Subsection (b-1), as follows:

(b-1) Provides that, notwithstanding Subsection (b) (relating to providing that a sale is not considered to be a comparable sale unless the sale occurred within 24 months of the date as of which the market value of the subject property is to be determined, except that a sale that did not occur during that period may be considered to be a comparable sale if enough comparable properties were not sold during that period to constitute a representative sample) a sale for a residential property in a county with a population of more than 150,000 is not considered to be a comparable sale unless the sale occurred within 36 months of the date as of which the market value of the subject property is to be determined, regardless of the number of comparable properties sold during that period.

SECTION 2. Provides that this Act applies only to the appraisal of property for a tax year beginning on or after the effective date of this Act.

SECTION 3. Effective date: January 1, 2014.