

BILL ANALYSIS

Senate Research Center
83R8737 CJC-D

S.B. 1598
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Finance
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, all real property (e.g., land, buildings, et cetera) and tangible personal property used for the production of income (e.g., business inventories, equipment, et cetera) is taxable at its January 1 market value unless exempt by law, or unless subject to special appraisal provisions, such as the appraisal of agricultural land at its productivity value.

However, several appraisal districts have different procedures to inspect businesses, and often this includes getting approval only from employees to conduct the inspection and not business owners.

S.B. 1598 requires appraisal districts to receive direct consent from the owner of the business, trade, or profession for the appraiser to come into the business, trade, or profession for inspection. S.B. 1598 does not prevent inspections, but only ensures that business owners are aware and notified of inspection.

As proposed, S.B. 1598 amends current law relating to the authority of the chief appraiser of an appraisal district or a representative of the chief appraiser to enter the premises of a business, trade, or profession for ad valorem tax appraisal 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 22.07(a), Tax Code, to authorize the chief appraiser or the chief appraiser's authorized representative to enter the premises of a business, trade, or profession and inspect the property to determine the existence and market value of tangible personal property used for the production of income and having a taxable situs in the district, provided that the owner of the business, trade, or profession has expressly consented to the entry and inspection.

SECTION 2. Effective date: September 1, 2013.