

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 26, 2013

TO: Honorable Tommy Williams, Chair, Senate Committee on Finance

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1662 by Eltife (relating to expedited binding arbitration of appraisal review board orders.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Section 41A of the Tax Code, related to property tax appeals through binding arbitration, to delete a property owner's entitlement to expedited arbitration. Under current law a property owner may select either expedited binding arbitration for a fee of \$250 or regular binding arbitration for a fee of \$500. The bill would delete the reduced fee for expedited arbitration along with the option of expedited arbitration.

The proposed change in law would not apply to an appeal of an appraisal review board order for which a request is filed and a deposit is paid before the effective date of the bill. Such an appeal would be governed by current law.

The bill would not affect taxable property values, tax rates, collection rates, or any other variable which might affect the revenues of units of local governments. The bill's proposed deletion of expedited arbitration and its reduced fee would create an insignificant gain to the state because some taxpayers that would have chosen expedited arbitration would choose regular arbitration and pay the higher fee.

The bill would take effect on January 1, 2014.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD, SJS