

BILL ANALYSIS

C.S.H.B. 2083
By: Darby
Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

According to interested parties, there are certain concerns that current law does not provide adequate guidance as to the proper application of the equal and uniform remedy for property taxation, which can result in improper outcomes. Such parties contend that these concerns can be addressed by requiring that an equal and uniform appraisal be performed with the application of generally accepted appraisal methods and techniques, mirroring the statute for market value appraisals. C.S.H.B. 2083 seeks to clarify the standards for equal and uniform appraisals.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2083 amends the Tax Code to require the selection of comparable properties and the application of appropriate adjustments for the determination of an appraised value of property by any person in a property tax protest or appeal on the ground of unequal appraisal to be based on the application of generally accepted appraisal methods and techniques. The bill authorizes comparable properties in other counties to be used for such purposes if a sufficient number of comparable properties are not located in the county. The bill requires adjustments to be based on recognized methods and techniques that are necessary to produce a credible opinion.

EFFECTIVE DATE

January 1, 2016.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2083 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. SECTION 23.01, Tax Code, is amended by adding Subsection (f) to read

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 23.01, Tax Code, is amended by adding Subsection (f) to read as

as follows:

(f) The selection of comparable properties and the application of appropriate adjustments for the determination of an appraised value of property under Sections 41.43(b)(3) and 42.26(a)(3) of this code shall be based upon the application of generally accepted appraisal methods and techniques.

SECTION 2. This Act takes effect January 1, 2016.

follows:

(f) The selection of comparable properties and the application of appropriate adjustments for the determination of an appraised value of property by any person under Section 41.43(b)(3) or 42.26(a)(3) must be based on the application of generally accepted appraisal methods and techniques. If a sufficient number of comparable properties are not located in the county, comparable properties in other counties may be used for purposes of this subsection. Adjustments must be based on recognized methods and techniques that are necessary to produce a credible opinion.

SECTION 2. Same as introduced version.