

By: Bettencourt

S.B. No. 1215

A BILL TO BE ENTITLED

AN ACT

relating to abolishing the property tax assistance division of the office of the comptroller of public accounts and transferring its powers and duties to the newly created State Property Tax Board.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. ESTABLISHING THE STATE PROPERTY TAX BOARD

SECTION 1.01. Chapter 5, Tax Code, is amended by designating Sections 5.03 through 5.16 as Subchapter A and adding a subchapter heading to read as follows:

SUBCHAPTER A. STATE PROPERTY TAX BOARD

SECTION 1.02. Subchapter A, Chapter 5, Tax Code, as added by this Act, is amended by adding Sections 5.01, 5.02, 5.021, 5.022, and 5.023 to read as follows:

Sec. 5.01. DEFINITION. In this chapter, "board" means the State Property Tax Board.

Sec. 5.02. STATE PROPERTY TAX BOARD. (a) The State Property Tax Board is established. The board consists of seven members appointed by the governor with the advice and consent of the senate. In making the appointments, the governor, to the extent practicable, shall select persons so that each geographical area of the state is represented. A vacancy on the board is filled in the same manner for the unexpired portion of the term.

(b) Members of the board hold office for terms of six years, with the terms of two or three members expiring on March 1 of each

1 odd-numbered year.

2 (c) To be eligible to serve on the board, a person must have  
3 been a resident of this state for at least 10 years.

4 (d) At least two members must be either registered with the  
5 Texas Department of Licensing and Regulation under Chapter 1151 or  
6 1152, Occupations Code, or an elected county assessor-collector.

7 (e) A majority of the board constitutes a quorum.

8 (f) The governor shall designate one of the members of the  
9 board to serve as chair for a term, in that capacity, of two years  
10 expiring on March 1 of each odd-numbered year.

11 (g) The board shall maintain a principal office in Austin.

12 (h) The board shall meet at least once in each calendar  
13 quarter and may meet at other times at the call of the chair or as  
14 provided by the rules of the board.

15 (i) A member of the board may not receive compensation for  
16 service on the board but is entitled to reimbursement for actual and  
17 necessary expenses, as provided by legislative appropriation,  
18 incurred while on travel status in the performance of official  
19 duties.

20 Sec. 5.021. BOARD PERSONNEL. (a) The board shall employ  
21 an executive director who shall administer board operations as  
22 directed by the board.

23 (b) The executive director may employ professional,  
24 clerical, and other personnel to assist in administering board  
25 operations.

26 Sec. 5.022. GROUNDS FOR REMOVAL OF BOARD MEMBERS. (a) It  
27 is a ground for removal from the board if a member:

1           (1) does not have at the time of appointment the  
2 qualifications required under Section 5.02;

3           (2) does not maintain during service on the board the  
4 qualifications and other eligibility conditions required by  
5 Section 5.02;

6           (3) violates a prohibition described by Section 5.023;

7           (4) cannot discharge the member's duties for a  
8 substantial part of the term for which the member is appointed  
9 because of illness or disability; or

10           (5) is absent from more than half of the regularly  
11 scheduled board meetings that the member is eligible to attend  
12 during a calendar year unless the absence is excused by a majority  
13 vote of the board.

14           (b) The validity of an action of the board is not affected by  
15 the fact that it is taken when a ground for removal of a board member  
16 exists.

17           (c) If the executive director has knowledge that a potential  
18 ground for removal exists, the executive director shall notify the  
19 chair of the ground. The chair shall then notify the governor that  
20 a potential ground for removal exists. If the member about which  
21 the executive director has knowledge that a potential ground for  
22 removal exists is the chair, the executive director shall notify  
23 two other board members of the ground, and those members shall then  
24 notify the governor that a potential ground for removal exists.

25           Sec. 5.023. RESTRICTIONS ON BOARD MEMBERSHIP AND  
26 EMPLOYMENT. (a) An officer, employee, or paid consultant of a  
27 Texas trade association in the field of property taxation may not be

1 a member of the board or be an employee of the board who is exempt  
2 from the state's position classification plan or is compensated at  
3 or above the amount prescribed by the General Appropriations Act  
4 for step 1, salary group 17, of the position classification salary  
5 schedule.

6 (b) A person who is the spouse of an officer, manager, or  
7 paid consultant of a Texas trade association in the field of  
8 property taxation may not be a member of the board or be an employee  
9 of the board who is exempt from the state's position classification  
10 plan or is compensated at or above the amount prescribed by the  
11 General Appropriations Act for step 1, salary group 17, of the  
12 position classification salary schedule.

13 (c) A person may not serve as a member of the board or act as  
14 the general counsel to the board if the person is required to  
15 register as a lobbyist under Chapter 305, Government Code, because  
16 of the person's activities for compensation on behalf of a  
17 profession related to the operation of the board.

18 (d) In this section, "Texas trade association" means a  
19 nonprofit, cooperative, and voluntarily joined association of  
20 business or professional competitors in this state designed to  
21 assist its members and its industry or profession in dealing with  
22 mutual business or professional problems and in promoting their  
23 common interest.

24 SECTION 1.03. Section 5.03, Tax Code, is amended to read as  
25 follows:

26 Sec. 5.03. POWERS AND DUTIES GENERALLY. (a) The board  
27 [~~comptroller~~] shall adopt rules establishing minimum standards for

1 the administration and operation of an appraisal district. The  
2 minimum standards may vary according to the number of parcels and  
3 the kinds of property the district is responsible for appraising.

4 (b) The board [~~comptroller~~] may require from each district  
5 engaged in appraising property for taxation an annual report on a  
6 form prescribed by the board [~~comptroller~~] on the administration  
7 and operation of the appraisal office.

8 (c) The board [~~comptroller~~] may contract with consultants  
9 to assist in performance of the duties imposed by this chapter.

10 SECTION 1.04. Section 5.04(a), Tax Code, is amended to read  
11 as follows:

12 (a) The board [~~comptroller~~] shall enter into a memorandum of  
13 understanding with the Texas Department of Licensing and Regulation  
14 or any successor agency responsible for certifying tax  
15 professionals in this state in setting standards for and approving  
16 curricula and materials for use in training and educating  
17 appraisers and assessor-collectors, and the board [~~comptroller~~]  
18 may contract or enter into a memorandum of understanding with other  
19 public agencies, educational institutions, or private  
20 organizations in sponsoring courses of instruction and training  
21 programs.

22 SECTION 1.05. Sections 5.041(a), (b), (b-1), (c), (d),  
23 (e-1), (e-2), (e-3), and (f), Tax Code, are amended to read as  
24 follows:

25 (a) The board [~~comptroller~~] shall:

26 (1) approve curricula and provide materials for use in  
27 training and educating members of an appraisal review board;

1           (2) supervise a comprehensive course for training and  
2 education of appraisal review board members and issue certificates  
3 indicating course completion;

4           (3) make all materials for use in training and  
5 educating members of an appraisal review board freely available  
6 online;

7           (4) establish and maintain a toll-free telephone  
8 number that appraisal review board members may call for answers to  
9 technical questions relating to the duties and responsibilities of  
10 appraisal review board members and property appraisal issues; and

11           (5) provide, as feasible, online technological  
12 assistance to improve the operations of appraisal review boards and  
13 appraisal districts.

14           (b) A member of the appraisal review board established for  
15 an appraisal district must complete the course established under  
16 Subsection (a). A member of the appraisal review board may not  
17 participate in a hearing conducted by the appraisal review board  
18 unless the person has completed the course established under  
19 Subsection (a) and received a certificate of course completion.

20           (b-1) At the conclusion of a course established under  
21 Subsection (a), each member of an appraisal review board in  
22 attendance shall complete a statement, on a form prescribed by the  
23 board [~~comptroller~~], indicating that the member will comply with  
24 the requirements of this title in conducting hearings.

25           (c) The board [~~comptroller~~] may contract with service  
26 providers to assist with the duties imposed under Subsection (a),  
27 but the course required may not be provided by an appraisal

1 district, the chief appraiser or another employee of an appraisal  
2 district, a member of the board of directors of an appraisal  
3 district, a member of an appraisal review board, or a taxing unit.  
4 The board [~~comptroller~~] may assess a fee to recover a portion of the  
5 costs incurred for the training course, but the fee may not exceed  
6 \$50 per person trained.

7 (d) The course material for the course required under  
8 Subsection (a) is the State Property Tax Board's [~~comptroller's~~]  
9 Appraisal Review Board Manual [~~in use on the effective date of this~~  
10 ~~section~~]. The manual shall be updated regularly. It may be revised  
11 on request, in writing, to the board [~~comptroller~~]. The revision  
12 language must be approved on the unanimous agreement of a committee  
13 selected by the board [~~comptroller~~] and representing, equally,  
14 taxpayers and chief appraisers. The person requesting the revision  
15 shall pay the costs of mediation if the board [~~comptroller~~]  
16 determines that mediation is required.

17 (e-1) In addition to the course established under  
18 Subsection (a), the board [~~comptroller~~] shall approve curricula and  
19 provide materials for use in a continuing education course for  
20 members of an appraisal review board. The curricula and materials  
21 must include information regarding:

22 (1) the cost, income, and market data comparison  
23 methods of appraising property;

24 (2) the appraisal of business personal property;

25 (3) the determination of capitalization rates for  
26 property appraisal purposes;

27 (4) the duties of an appraisal review board;

1           (5) the requirements regarding the independence of an  
2 appraisal review board from the board of directors and the chief  
3 appraiser and other employees of the appraisal district;

4           (6) the prohibitions against ex parte communications  
5 applicable to appraisal review board members;

6           (7) the Uniform Standards of Professional Appraisal  
7 Practice;

8           (8) the duty of the appraisal district to substantiate  
9 the district's determination of the value of property;

10          (9) the requirements regarding the equal and uniform  
11 appraisal of property;

12          (10) the right of a property owner to protest the  
13 appraisal of the property as provided by Chapter 41; and

14          (11) a detailed explanation of each of the actions  
15 described by Sections 25.25, 41.41(a), 41.411, 41.412, 41.413,  
16 41.42, and 41.43 so that members are fully aware of each of the  
17 grounds on which a property appraisal can be appealed.

18          (e-2) During the second year of an appraisal review board  
19 member's term of office, the member must successfully complete the  
20 course established under Subsection (e-1). At the conclusion of  
21 the course, the member must complete a statement described by  
22 Subsection (b-1). A person may not participate in a hearing  
23 conducted by the appraisal review board, vote on a determination of  
24 a protest, or be reappointed to an additional term on the appraisal  
25 review board until the person has completed the course established  
26 under Subsection (e-1) and has received a certificate of course  
27 completion. If the person is reappointed to an additional term on



1 the appraisal review board, the person must successfully complete  
2 the course established under Subsection (e-1) and comply with the  
3 other requirements of this subsection in each year the member  
4 continues to serve.

5 (e-3) The board [~~comptroller~~] may contract with service  
6 providers to assist with the duties imposed under Subsection (e-1),  
7 but the course required by that subsection may not be provided by an  
8 appraisal district, the chief appraiser or another employee of an  
9 appraisal district, a member of the board of directors of an  
10 appraisal district, a member of an appraisal review board, or a  
11 taxing unit. The board [~~comptroller~~] may assess a fee to recover a  
12 portion of the costs incurred for the continuing education course,  
13 but the fee may not exceed \$50 for each person trained.

14 (f) The board [~~comptroller~~] may not advise a property owner,  
15 a property owner's agent, or the chief appraiser or another  
16 employee of an appraisal district on a matter that the board  
17 [~~comptroller~~] knows is the subject of a protest to the appraisal  
18 review board. The board [~~comptroller~~] may provide advice to an  
19 appraisal review board member as authorized by Subsection (a)(4) of  
20 this section or Section 5.103 and may communicate with the chair  
21 [~~chairman~~] of an appraisal review board or a taxpayer liaison  
22 officer concerning a complaint filed under Section 6.052.

23 SECTION 1.06. Sections 5.05(a), (b), and (c), Tax Code, are  
24 amended to read as follows:

25 (a) The board [~~comptroller~~] may prepare and issue  
26 publications relating to the appraisal of property and the  
27 administration of taxes, or may approve other publications relating

1 to those matters, including materials published by The Appraisal  
2 Foundation, the International Association of Assessing Officers,  
3 or other professionally recognized organizations, for use in the  
4 administration of property taxes, including:

- 5 (1) a general appraisal manual;
- 6 (2) special appraisal manuals as authorized by law;
- 7 (3) cost, price, and depreciation schedules as  
8 authorized by law, with provision for inserting local market index  
9 factors and with a standard procedure for determining local market  
10 index factors;
- 11 (4) periodic news and reference bulletins;
- 12 (5) ~~an~~ annotated digests of all laws relating to  
13 property taxation ~~[version of this title and Title 3]~~; and
- 14 (6) a handbook of ~~[containing selected laws and]~~ all  
15 rules promulgated by the board ~~[comptroller]~~ relating to the  
16 property tax and its administration.

17 (b) The board ~~[comptroller]~~ shall revise or supplement all  
18 materials issued by the board ~~[comptroller]~~ or approve other  
19 publications periodically as necessary to keep them current.

20 (c) The board ~~[comptroller]~~ shall electronically publish  
21 all materials under this section for administering the property tax  
22 system. The board ~~[comptroller]~~ shall make the materials available  
23 to local governmental officials and members of the public but may  
24 charge a reasonable fee to offset the costs of preparing, printing,  
25 and distributing the materials.

26 SECTION 1.07. Sections 5.06, 5.07, 5.08, 5.09, 5.10, 5.102,  
27 5.103, 5.12, 5.13, 5.14, and 5.16, Tax Code, are amended to read as

1 follows:

2           Sec. 5.06. EXPLANATION OF TAXPAYER REMEDIES. The board  
3 [~~comptroller~~] shall prepare and electronically publish a pamphlet  
4 explaining the remedies available to dissatisfied taxpayers and the  
5 procedures to be followed in seeking remedial action. The board  
6 [~~comptroller~~] shall include in the pamphlet advice on preparing and  
7 presenting a protest.

8           Sec. 5.07. PROPERTY TAX FORMS AND RECORDS SYSTEMS.

9 (a) The board [~~comptroller~~] shall prescribe the contents of all  
10 forms necessary for the administration of the property tax system  
11 and on request shall furnish sufficient copies of model forms of  
12 each type to the appropriate local officials. The board  
13 [~~comptroller~~] may require reimbursement for the costs of printing  
14 and distributing the forms.

15 (b) The board [~~comptroller~~] shall make the contents of the  
16 forms uniform to the extent practicable but may prescribe or  
17 approve additional or substitute forms for special circumstances.

18 (c) The board [~~comptroller~~] shall also prescribe a uniform  
19 record system to be used by all appraisal districts for the purpose  
20 of submitting data to be used in the studies required by Sections  
21 [~~Section~~] 5.10 [~~of this code~~] and 5.23 [~~by Section 403.302,~~  
22 ~~Government Code~~]. The record system shall include a compilation of  
23 information concerning sales of real property within the boundaries  
24 of the appraisal district. The sales information maintained in the  
25 uniform record system shall be submitted annually in a form  
26 prescribed by the board [~~comptroller~~].

27           Sec. 5.08. PROFESSIONAL AND TECHNICAL ASSISTANCE. (a) The

1 board [~~comptroller~~] may provide professional and technical  
2 assistance on request in appraising property, installing or  
3 updating tax maps, purchasing equipment, developing recordkeeping  
4 systems, or performing other appraisal activities. The board  
5 [~~comptroller~~] may also provide professional and technical  
6 assistance on request to an appraisal review board. The board  
7 [~~comptroller~~] may require reimbursement for the costs of providing  
8 the assistance.

9 (b) The board [~~comptroller~~] may provide information to and  
10 consult with persons actively engaged in appraising property for  
11 tax purposes about any matter relating to property taxation without  
12 charge.

13 Sec. 5.09. BIENNIAL REPORTS. (a) The board [~~comptroller~~]  
14 shall prepare a biennial report of its operations and the  
15 operations of the appraisal districts of this state. The report  
16 shall include the total appraised values and taxable values of  
17 taxable property by category and the tax rates of each county,  
18 municipality, and school district in effect for the two years  
19 preceding the year in which the report is prepared.

20 (b) Not later than December 31 of each even-numbered year,  
21 the board [~~comptroller~~] shall:

22 (1) electronically publish on the board's  
23 [~~comptroller's~~] Internet website the report required by Subsection  
24 (a); and

25 (2) notify the governor, the lieutenant governor, and  
26 each member of the legislature that the report is available on the  
27 website.

1           Sec. 5.10. RATIO STUDIES. (a) At least once every two  
2 years, the board [~~comptroller~~] shall conduct a study in each  
3 appraisal district to determine the degree of uniformity of and the  
4 median level of appraisals by the appraisal district within each  
5 major category of property. The board [~~comptroller~~] shall publish  
6 a report of the findings of the study, including in the report the  
7 median levels of appraisal for each major category of property, the  
8 coefficient of dispersion around the median level of appraisal for  
9 each major category of property, and any other standard statistical  
10 measures that the board [~~comptroller~~] considers appropriate. In  
11 conducting the study, the board [~~comptroller~~] shall apply  
12 appropriate standard statistical analysis techniques to data  
13 collected as part of the study of school district taxable values  
14 required by Section 5.23 [~~403.302, Government Code~~].

15           (b) The published findings of a ratio study conducted by the  
16 board [~~comptroller~~] shall be distributed to all members of the  
17 legislature and to all appraisal districts.

18           (c) In conducting a study under this section, the board  
19 [~~comptroller~~] or the board's [~~comptroller's~~] authorized  
20 representative may enter the premises of a business, trade, or  
21 profession and inspect the property to determine the existence and  
22 market value of property used for the production of income. An  
23 inspection under this subsection must be made during normal  
24 business hours or at a time mutually agreeable to the board  
25 [~~comptroller~~] or the board's [~~comptroller's~~] authorized  
26 representative and the person in control of the premises.

27           Sec. 5.102. REVIEW OF APPRAISAL DISTRICTS. (a) At least

1 once every two years, the board [~~comptroller~~] shall review the  
2 governance of each appraisal district, taxpayer assistance  
3 provided, and the operating and appraisal standards, procedures,  
4 and methodology used by each appraisal district, to determine  
5 compliance with generally accepted standards, procedures, and  
6 methodology. After consultation with the advisory committee  
7 created under Section 5.23 [~~403.302, Government Code~~], the board  
8 [~~comptroller~~] by rule may establish procedures and standards for  
9 conducting and scoring the review.

10 (b) In conducting the review, the board [~~comptroller~~] is  
11 entitled to access to all records and reports of the appraisal  
12 district, to copy or print any record or report of the appraisal  
13 district, and to the assistance of the appraisal district's  
14 officers and employees.

15 (c) At the conclusion of the review, the board [~~comptroller~~]  
16 shall, in writing, notify the appraisal district concerning its  
17 performance in the review. If the review results in a finding that  
18 an appraisal district is not in compliance with generally accepted  
19 standards, procedures, and methodology, the board [~~comptroller~~]  
20 shall deliver a report that details the board's [~~comptroller's~~]  
21 findings and recommendations for improvement to:

22 (1) the appraisal district's chief appraiser and board  
23 of directors; and

24 (2) the superintendent and board of trustees of each  
25 school district participating in the appraisal district.

26 (d) If the appraisal district fails to comply with the  
27 recommendations in the report and the board [~~comptroller~~] finds

1 that the board of directors of the appraisal district failed to take  
2 remedial action reasonably designed to ensure substantial  
3 compliance with each recommendation in the report before the first  
4 anniversary of the date the report was issued, the board  
5 [~~comptroller~~] shall notify the department [~~Board of Tax~~  
6 ~~Professional Examiners, or a successor to the board~~], which shall  
7 take action necessary to ensure that the recommendations in the  
8 report are implemented as soon as practicable.

9 (e) Before February 1 of the year following the year in  
10 which the department [~~Board of Tax Professional Examiners, or its~~  
11 ~~successor,~~] takes action under Subsection (d), and with the  
12 assistance of the board [~~comptroller~~], the department [~~board~~] shall  
13 determine whether the recommendations in the most recent report  
14 have been substantially implemented. The executive director of the  
15 department [~~presiding officer of the board~~] shall notify the chief  
16 appraiser and the board of directors of the appraisal district in  
17 writing of the department's [~~board's~~] determination.

18 (f) In this section, "department" means the Texas  
19 Department of Licensing and Regulation.

20 Sec. 5.103. APPRAISAL REVIEW BOARD OVERSIGHT. (a) The  
21 board [~~comptroller~~] shall prepare model hearing procedures for  
22 appraisal review boards.

23 (b) The model hearing procedures shall address:

- 24 (1) the statutory duties of an appraisal review board;  
25 (2) the process for conducting a hearing;  
26 (3) the scheduling of hearings;  
27 (4) the postponement of hearings;

- 1 (5) the notices required under this title;
- 2 (6) the determination of good cause under Section  
3 41.44(b);
- 4 (7) the determination of good cause under Sections  
5 41.45(e) and (e-1);
- 6 (8) a party's right to offer evidence and argument;
- 7 (9) a party's right to examine or cross-examine  
8 witnesses or other parties;
- 9 (10) a party's right to appear by an agent;
- 10 (11) the prohibition of an appraisal review board's  
11 consideration of information not provided at a hearing;
- 12 (12) ex parte and other prohibited communications;
- 13 (13) the exclusion of evidence at a hearing as  
14 required by Section 41.67(d);
- 15 (14) the postponement of a hearing as required by  
16 Section 41.66(h);
- 17 (15) conflicts of interest;
- 18 (16) the process for the administration of  
19 applications for membership on an appraisal review board; and
- 20 (17) any other matter related to fair and efficient  
21 appraisal review board hearings.

22 (c) The board [~~comptroller~~] may:

- 23 (1) categorize appraisal districts based on the size  
24 of the district, the number of protests filed in the district, or  
25 similar characteristics; and
- 26 (2) develop different model hearing procedures for  
27 different categories of districts.



1 (d) An appraisal review board shall follow the model hearing  
2 procedures prepared by the board [~~comptroller~~] when establishing  
3 its procedures for hearings as required by Section 41.66(a).

4 (e) The board [~~comptroller~~] shall prescribe the contents of  
5 a survey form for the purpose of providing the public a reasonable  
6 opportunity to offer comments and suggestions concerning the  
7 appraisal review board established for an appraisal district. The  
8 survey form must permit a person to offer comments and suggestions  
9 concerning the matters listed in Subsection (b) or any other matter  
10 related to the fairness and efficiency of the appraisal review  
11 board. The survey form, together with instructions for completing  
12 the form and submitting the form, shall be provided to each property  
13 owner at or before each hearing on a protest conducted by an  
14 appraisal review board. The appraisal office may provide clerical  
15 assistance to the board [~~comptroller~~] for purposes of the  
16 implementation of this subsection, including assistance in  
17 providing and receiving the survey form. The board [~~comptroller~~],  
18 or an appraisal office providing clerical assistance to the board  
19 [~~comptroller~~], may provide for the provision and submission of  
20 survey forms electronically.

21 (f) The board [~~comptroller~~] shall issue an annual report  
22 summarizing the survey forms submitted by property owners  
23 concerning each appraisal review board. The report may not  
24 disclose the identity of a person who submits a survey form.

25 Sec. 5.12. PERFORMANCE AUDIT OF APPRAISAL DISTRICT.

26 (a) The board [~~comptroller~~] shall audit the performance of an  
27 appraisal district if one or more of the following conditions exist

1 according to each of two consecutive studies conducted by the board  
2 [~~comptroller~~] under Section 5.10, regardless of whether the  
3 prescribed condition or conditions that exist are the same for each  
4 of those studies:

5 (1) the overall median level of appraisal for all  
6 property in the district for which the board [~~comptroller~~]  
7 determines a median level of appraisal is less than 0.75;

8 (2) the coefficient of dispersion around the overall  
9 median level of appraisal of the properties used to determine the  
10 overall median level of appraisal for all property in the district  
11 for which the board [~~comptroller~~] determines a median level of  
12 appraisal exceeds 0.30; or

13 (3) the difference between the median levels of  
14 appraisal for any two classes of property in the district for which  
15 the board [~~comptroller~~] determines a median level of appraisal is  
16 more than 0.45.

17 (b) At the written request of the governing bodies of a  
18 majority of the taxing units participating in an appraisal district  
19 or of a majority of the taxing units entitled to vote on the  
20 appointment of appraisal district directors, the board  
21 [~~comptroller~~] shall audit the performance of the appraisal  
22 district. The governing bodies may request a general audit of the  
23 performance of the appraisal district or may request an audit of  
24 only one or more particular duties, practices, functions,  
25 departments, or other appraisal district matters.

26 (c) At the written request of the owners of not less than 10  
27 percent of the number of accounts or parcels of property in an

1 appraisal district belonging to a single class of property, if the  
2 class constitutes at least five percent of the appraised value of  
3 taxable property within the district in the preceding year, or at  
4 the written request of the owners of property representing not less  
5 than 10 percent of the appraised value of all property in the  
6 district belonging to a single class of property, if the class  
7 constitutes at least five percent of the appraised value of taxable  
8 property in the district in the preceding year, the board  
9 [~~comptroller~~] shall audit the performance of the appraisal  
10 district. The property owners may request a general audit of the  
11 performance of the appraisal district or may request an audit of  
12 only one or more particular duties, practices, functions,  
13 departments, or other appraisal district matters. A property owner  
14 may authorize an agent to sign a request for an audit under this  
15 subsection on the property owner's behalf. The board [~~comptroller~~]  
16 may require a person signing a request for an audit to provide proof  
17 that the person is entitled to sign the request as a property owner  
18 or as the agent of a property owner.

19 (d) A request for a performance audit of an appraisal  
20 district may not be made under Subsection (b) or (c) if according to  
21 each of the two most recently published studies conducted by the  
22 board [~~comptroller~~] under Section 5.10:

23 (1) the overall median level of appraisal for all  
24 property in the district for which the board [~~comptroller~~]  
25 determines a median level of appraisal is more than 0.90 and less  
26 than 1.10;

27 (2) the coefficient of dispersion around the overall

1 median level of appraisal of the properties used to determine the  
2 overall median level of appraisal for all property in the district  
3 for which the board [~~comptroller~~] determines a median level of  
4 appraisal is less than 0.15; and

5 (3) the difference between the highest and lowest  
6 median levels of appraisal in the district for the classes of  
7 property for which the board [~~comptroller~~] determines a median  
8 level of appraisal is less than 0.20.

9 (e) A request for a performance audit of an appraisal  
10 district may not be made under Subsection (b) or (c):

11 (1) during the two years immediately following the  
12 publication of the second of two consecutive studies according to  
13 which the board [~~comptroller~~] is required to conduct an audit of the  
14 district under Subsection (a);

15 (2) during the year immediately following the date the  
16 results of an audit of the district conducted by the board  
17 [~~comptroller~~] under Subsection (a) are reported to the chief  
18 appraiser of the district; or

19 (3) during a year in which the board [~~comptroller~~] is  
20 conducting a review of the district under Section 5.102.

21 (f) For purposes of this section, "class of property" means  
22 a major kind of property for which the board [~~comptroller~~]  
23 determines a median level of appraisal under Section 5.10 [~~of this~~  
24 ~~code~~].

25 (h) In addition to the performance audits required by  
26 Subsections (a), (b), and (c) and the review of appraisal standards  
27 required by Section 5.102, the board [~~comptroller~~] may audit an

1 appraisal district to analyze the effectiveness and efficiency of  
2 the policies, management, and operations of the appraisal district.  
3 The results of the audit shall be delivered in a report that details  
4 the board's [~~comptroller's~~] findings and recommendations for  
5 improvement to the appraisal district's chief appraiser and board  
6 of directors and the governing body of each taxing unit  
7 participating in the appraisal district. The board [~~comptroller~~]  
8 may require reimbursement by the appraisal district for some or all  
9 of the costs of the audit, not to exceed the actual costs associated  
10 with conducting the audit.

11       Sec. 5.13. ADMINISTRATION OF PERFORMANCE AUDITS. (a) The  
12 board [~~comptroller~~] shall complete an audit required by Section  
13 5.12(a) within two years after the date of the publication of the  
14 second of the two studies the results of which required the audit to  
15 be conducted. The board [~~comptroller~~] shall complete an audit  
16 requested under Section 5.12(b) or (c) as soon as practicable after  
17 the request is made.

18       (b) The board [~~comptroller~~] may not audit the financial  
19 condition of an appraisal district or a district's tax collections.  
20 If the request is for an audit limited to one or more particular  
21 matters, the board's [~~comptroller's~~] audit must be limited to those  
22 matters.

23       (c) The board [~~comptroller~~] must approve the specific plan  
24 for the performance audit of an appraisal district. Before  
25 approving an audit plan, the board [~~comptroller~~] must provide any  
26 interested person an opportunity to appear before the board  
27 [~~comptroller~~] and to comment on the proposed plan. Not later than

1 the 20th day before the date the board [~~comptroller~~] considers the  
2 plan for an appraisal district performance audit, the board  
3 [~~comptroller~~] must notify the presiding officer of the appraisal  
4 district board of directors that the board [~~comptroller~~] intends to  
5 consider the plan. The notice must include the time, date, and  
6 place of the meeting to consider the plan. Immediately after  
7 receiving the notice, the presiding officer shall deliver a copy of  
8 the notice to the other members of the appraisal district board of  
9 directors.

10 (d) In conducting a general audit, the board [~~comptroller~~]  
11 shall consider and report on:

12 (1) the extent to which the district complies with  
13 applicable law or generally accepted standards of appraisal or  
14 other relevant practice;

15 (2) the uniformity and level of appraisal of major  
16 kinds of property and the cause of any significant deviations from  
17 ideal uniformity and equality of appraisal of major kinds of  
18 property;

19 (3) duplication of effort and efficiency of operation;

20 (4) the general efficiency, quality of service, and  
21 qualification of appraisal district personnel; and

22 (5) except as otherwise provided by Subsection (b) of  
23 this section, any other matter included in the request for the  
24 audit.

25 (e) In conducting the audit, the board [~~comptroller~~] is  
26 entitled to have access at all times to the books, appraisal and  
27 other records, reports, vouchers, and other information, whether

1 confidential or not, of the appraisal district. The board  
2 [~~comptroller~~] may require the assistance of appraisal district  
3 officers or employees that does not interfere significantly with  
4 the ordinary functions of the appraisal district. The board  
5 [~~comptroller~~] may rely on any analysis it has made previously  
6 relating to the appraisal district if the previous analysis is  
7 useful or relevant to the audit.

8 (f) The board [~~comptroller~~] shall report the results of its  
9 audit in writing to the governing body of each taxing unit that  
10 participates in the appraisal district, to the chief appraiser, and  
11 to the presiding officer of the appraisal district board of  
12 directors. If the audit was requested under Section 5.12(c) [~~of~~  
13 ~~this code~~], the board [~~comptroller~~] shall also provide a report to a  
14 representative of the property owners who requested the audit.

15 (g) If the audit is required or requested under Section  
16 5.12(a) or (b) [~~of this code~~], the appraisal district shall  
17 reimburse the board [~~comptroller~~] for the costs incurred in  
18 conducting the audit and making its report of the audit. The costs  
19 shall be allocated among the taxing units participating in the  
20 district in the same manner as an operating expense of the district.  
21 If the audit is requested under Section 5.12(c) [~~of this code~~], the  
22 property owners who requested the audit shall reimburse the board  
23 [~~comptroller~~] for the costs incurred in conducting the audit and  
24 making its report of the audit and shall allocate the costs among  
25 those property owners in proportion to the appraised value of each  
26 property owner's property in the district or on such other basis as  
27 the property owners may agree. If the audit confirms that the

1 median level of appraisal for a class of property exceeds 1.10 or  
2 that the median level of appraisal for a class of property varies at  
3 least 10 percent from the overall median level of appraisal for all  
4 property in the district for which the board [~~comptroller~~]  
5 determines a median level of appraisal, within 90 days after the  
6 date a request is made by the property owners for reimbursement the  
7 appraisal district shall reimburse the property owners who  
8 requested the audit for the amount paid to the board [~~comptroller~~]  
9 for the costs incurred in conducting the audit and making the  
10 report. Before conducting an audit under Section 5.12(c), the  
11 board [~~comptroller~~] may require the requesting taxing units or  
12 property owners to provide the board [~~comptroller~~] with a bond,  
13 deposit, or other financial security sufficient to cover the  
14 expected costs of conducting the audit and making the report. For  
15 purposes of this subsection, "costs" include expenses related to  
16 salaries, professional fees, travel, reproduction or other  
17 printing services, and consumable supplies that are directly  
18 attributable to conducting the audit.

19 (h) At any time after the request for an audit is made, the  
20 board [~~comptroller~~] may discontinue the audit in whole or in part if  
21 requested to do so by:

22 (1) the governing bodies of a majority of the taxing  
23 units participating in the district, if the audit was requested by a  
24 majority of those units;

25 (2) the governing bodies of a majority of the taxing  
26 units entitled to vote on the appointment of appraisal district  
27 directors, if the audit was requested by a majority of those units;



1 or

2 (3) if the audit was requested under Section 5.12(c)  
3 ~~[of this code]~~, by the taxpayers who requested the audit.

4 (i) The board ~~[comptroller]~~ by rule may adopt procedures,  
5 audit standards, and forms for the administration of the  
6 performance audits.

7 Sec. 5.14. PUBLIC ACCESS, INFORMATION, AND COMPLAINTS.

8 (a) The board ~~[comptroller]~~ shall develop and implement policies  
9 that provide the public with a reasonable opportunity to submit  
10 information on any property tax issue under the jurisdiction of the  
11 board ~~[comptroller]~~.

12 (b) The board ~~[comptroller]~~ shall prepare and maintain a  
13 written plan that describes how a person who does not speak English  
14 or who has a physical, mental, or developmental disability may be  
15 provided reasonable access to the board's ~~[comptroller's]~~ programs.

16 (c) The board ~~[comptroller]~~ shall prepare information of  
17 public interest describing the property tax functions of the board  
18 ~~[office of the comptroller]~~ and the board's ~~[comptroller's]~~  
19 procedures by which complaints are filed with and resolved by the  
20 board ~~[comptroller]~~. The board ~~[comptroller]~~ shall make the  
21 information available to the public and appropriate state agencies.

22 (d) If a written complaint is filed with the board  
23 ~~[comptroller]~~ that the board ~~[comptroller]~~ has authority to  
24 resolve, the board ~~[comptroller]~~, at least quarterly and until  
25 final disposition of the complaint, shall notify the parties to the  
26 complaint of the status of the complaint unless notice would  
27 jeopardize an undercover investigation.

1 (e) The board [~~comptroller~~] shall keep an information file  
2 about each complaint filed with the board [~~comptroller~~] that the  
3 board [~~comptroller~~] has authority to resolve.

4 Sec. 5.16. ADMINISTRATIVE PROVISIONS. (a) The board  
5 [~~comptroller~~] may inspect the records or other materials of an  
6 appraisal office or taxing unit, including the relevant records and  
7 materials in the possession or control of a consultant, advisor, or  
8 expert hired by the appraisal office or taxing unit, for the purpose  
9 of:

10 (1) establishing, reviewing, or evaluating the value  
11 of or an appraisal of any property; or

12 (2) conducting a study, review, or audit required by  
13 Section 5.10, [~~or~~] 5.102, or 5.23 [~~by Section 403.302, Government~~  
14 ~~Code~~].

15 (b) On request of the board [~~comptroller~~], the chief  
16 appraiser or administrative head of the taxing unit shall produce  
17 the materials in the form and manner prescribed by the board  
18 [~~comptroller~~].

19 SECTION 1.08. Subchapter M, Chapter 403, Government Code,  
20 is transferred to Chapter 5, Tax Code, redesignated as Subchapter  
21 B, and amended to read as follows:

22 SUBCHAPTER B [~~M~~]. STUDY OF SCHOOL DISTRICT PROPERTY VALUES

23 Sec. 5.21 [~~403.301~~]. PURPOSE. It is the policy of this  
24 state to ensure equity among taxpayers in the burden of school  
25 district taxes and among school districts in the distribution of  
26 state financial aid for public education. The purpose of this  
27 subchapter is to promote that policy by providing for uniformity in

1 local property appraisal practices and procedures and in the  
2 determination of property values for schools in order to distribute  
3 state funding equitably.

4 Sec. 5.22 [~~403.3011~~]. DEFINITIONS. In this subchapter:

5 (1) "Study" means a study conducted under Section 5.23  
6 [~~403.302~~].

7 (2) "Eligible school district" means a school district  
8 for which the board [~~comptroller~~] has determined the following:

9 (A) in the most recent study, the local value is  
10 invalid under Section 5.23(c) [~~403.302(c)~~] and does not exceed the  
11 state value for the school district determined in the study;

12 (B) in the two studies preceding the most recent  
13 study, the school district's local value was valid under Section  
14 5.23(c) [~~403.302(c)~~];

15 (C) in the most recent study, the aggregate local  
16 value of all of the categories of property sampled by the board  
17 [~~comptroller~~] is not less than 90 percent of the lower limit of the  
18 margin of error as determined by the board [~~comptroller~~] of the  
19 aggregate value as determined by the board [~~comptroller~~] of all of  
20 the categories of property sampled by the board [~~comptroller~~]; and

21 (D) the appraisal district that appraises  
22 property for the school district was in compliance with the scoring  
23 requirement of the board's [~~comptroller's~~] most recent review of  
24 the appraisal district conducted under Section 5.102 [~~7, Tax Code~~].

25 (3) "Local value" means the market value of property  
26 in a school district as determined by the appraisal district that  
27 appraises property for the school district, less the total amounts

1 and values listed in Section 5.23(d) [~~403.302(a)~~] as determined by  
2 that appraisal district.

3 (4) "State value" means the value of property in a  
4 school district as determined in a study.

5 Sec. 5.23 [~~403.302~~]. DETERMINATION OF SCHOOL DISTRICT  
6 PROPERTY VALUES. (a) The board [~~comptroller~~] shall conduct a  
7 study using comparable sales and generally accepted auditing and  
8 sampling techniques to determine the total taxable value of all  
9 property in each school district. The study shall determine the  
10 taxable value of all property and of each category of property in  
11 the district and the productivity value of all land that qualifies  
12 for appraisal on the basis of its productive capacity and for which  
13 the owner has applied for and received a productivity appraisal.  
14 The board [~~comptroller~~] shall make appropriate adjustments in the  
15 study to account for actions taken under Chapter 41, Education  
16 Code.

17 (a-1) The board [~~comptroller~~] shall conduct a study:

18 (1) at least every two years in each school district  
19 for which the most recent study resulted in a determination by the  
20 board [~~comptroller~~] that the school district's local value was  
21 valid; and

22 (2) each year in a school district for which the most  
23 recent study resulted in a determination by the board [~~comptroller~~]  
24 that the school district's local value was not valid.

25 (a-2) If in any year the board [~~comptroller~~] does not  
26 conduct a study, the school district's local value for that year is  
27 considered to be valid.

1 (b) In conducting the study, the board [~~comptroller~~] shall  
2 determine the taxable value of property in each school district:

3 (1) using, if appropriate, samples selected through  
4 generally accepted sampling techniques;

5 (2) according to generally accepted standard  
6 valuation, statistical compilation, and analysis techniques;

7 (3) ensuring that different levels of appraisal on  
8 sold and unsold property do not adversely affect the accuracy of the  
9 study; and

10 (4) ensuring that different levels of appraisal  
11 resulting from protests determined under Section 41.43 [~~, Tax Code,~~]  
12 are appropriately adjusted in the study.

13 (c) If after conducting the study the board [~~comptroller~~]  
14 determines that the local value for a school district is valid, the  
15 local value is presumed to represent taxable value for the school  
16 district. In the absence of that presumption, taxable value for a  
17 school district is the state value for the school district  
18 determined by the board [~~comptroller~~] under Subsections (a) and (b)  
19 unless the local value exceeds the state value, in which case the  
20 taxable value for the school district is the district's local  
21 value. In determining whether the local value for a school district  
22 is valid, the board [~~comptroller~~] shall use a margin of error that  
23 does not exceed five percent unless the board [~~comptroller~~]  
24 determines that the size of the sample of properties necessary to  
25 make the determination makes the use of such a margin of error not  
26 feasible, in which case the board [~~comptroller~~] may use a larger  
27 margin of error.

1 (c-1) This subsection applies only to a school district  
2 whose central administrative office is located in a county with a  
3 population of 9,000 or less and a total area of more than 6,000  
4 square miles. If after conducting the study for a tax year the  
5 board [~~comptroller~~] determines that the local value for a school  
6 district is not valid, the board [~~comptroller~~] shall adjust the  
7 taxable value determined under Subsections (a) and (b) as follows:

8 (1) for each category of property sampled and tested  
9 by the board [~~comptroller~~] in the school district, the board  
10 [~~comptroller~~] shall use the weighted mean appraisal ratio  
11 determined by the study, unless the ratio is more than four  
12 percentage points lower than the weighted mean appraisal ratio  
13 determined by the board [~~comptroller~~] for that category of property  
14 in the immediately preceding study, in which case the board  
15 [~~comptroller~~] shall use the weighted mean appraisal ratio  
16 determined in the immediately preceding study minus four percentage  
17 points;

18 (2) the board [~~comptroller~~] shall use the category  
19 weighted mean appraisal ratios as adjusted under Subdivision (1) to  
20 establish a value estimate for each category of property sampled  
21 and tested by the board [~~comptroller~~] in the school district; and

22 (3) the value estimates established under Subdivision  
23 (2), together with the local tax roll value for any categories not  
24 sampled and tested by the board [~~comptroller~~], less total  
25 deductions determined by the board [~~comptroller~~], determine the  
26 taxable value for the school district.

27 (d) For the purposes of this section, "taxable value" means

1 the market value of all taxable property less:

2 (1) the total dollar amount of any residence homestead  
3 exemptions lawfully granted under Section 11.13(b) or (c) [~~7 Tax~~  
4 ~~Code,~~] in the year that is the subject of the study for each school  
5 district;

6 (2) one-half of the total dollar amount of any  
7 residence homestead exemptions granted under Section 11.13(n) [~~7~~  
8 ~~Tax Code,~~] in the year that is the subject of the study for each  
9 school district;

10 (3) the total dollar amount of any exemptions granted  
11 before May 31, 1993, within a reinvestment zone under agreements  
12 authorized by Chapter 312 [~~7 Tax Code~~];

13 (4) subject to Subsection (e), the total dollar amount  
14 of any captured appraised value of property that:

15 (A) is within a reinvestment zone created on or  
16 before May 31, 1999, or is proposed to be included within the  
17 boundaries of a reinvestment zone as the boundaries of the zone and  
18 the proposed portion of tax increment paid into the tax increment  
19 fund by a school district are described in a written notification  
20 provided by the municipality or the board of directors of the zone  
21 to the governing bodies of the other taxing units in the manner  
22 provided by former Section 311.003(e) [~~7 Tax Code,~~] before May 31,  
23 1999, and within the boundaries of the zone as those boundaries  
24 existed on September 1, 1999, including subsequent improvements to  
25 the property regardless of when made;

26 (B) generates taxes paid into a tax increment  
27 fund created under Chapter 311 [~~7 Tax Code,~~] under a reinvestment

1 zone financing plan approved under Section 311.011(d) [~~7, Tax Code,~~]  
2 on or before September 1, 1999; and

3 (C) is eligible for tax increment financing under  
4 Chapter 311 [~~7, Tax Code,~~];

5 (5) the total dollar amount of any captured appraised  
6 value of property that:

7 (A) is within a reinvestment zone:

8 (i) created on or before December 31, 2008,  
9 by a municipality with a population of less than 18,000; and

10 (ii) the project plan for which includes  
11 the alteration, remodeling, repair, or reconstruction of a  
12 structure that is included on the National Register of Historic  
13 Places and requires that a portion of the tax increment of the zone  
14 be used for the improvement or construction of related facilities  
15 or for affordable housing;

16 (B) generates school district taxes that are paid  
17 into a tax increment fund created under Chapter 311 [~~7, Tax Code,~~]; and

18 (C) is eligible for tax increment financing under  
19 Chapter 311 [~~7, Tax Code,~~];

20 (6) the total dollar amount of any exemptions granted  
21 under Section 11.251 or 11.253 [~~7, Tax Code,~~];

22 (7) the difference between the board's [~~comptroller's~~]  
23 estimate of the market value and the productivity value of land that  
24 qualifies for appraisal on the basis of its productive capacity,  
25 except that the productivity value estimated by the board  
26 [~~comptroller~~] may not exceed the fair market value of the land;

27 (8) the portion of the appraised value of residence



1 homesteads of individuals who receive a tax limitation under  
2 Section 11.26[~~, Tax Code,~~] on which school district taxes are not  
3 imposed in the year that is the subject of the study, calculated as  
4 if the residence homesteads were appraised at the full value  
5 required by law;

6 (9) a portion of the market value of property not  
7 otherwise fully taxable by the district at market value because of:

8 (A) action required by statute or the  
9 constitution of this state, other than Section 11.311[~~, Tax Code,~~]  
10 that, if the tax rate adopted by the district is applied to it,  
11 produces an amount equal to the difference between the tax that the  
12 district would have imposed on the property if the property were  
13 fully taxable at market value and the tax that the district is  
14 actually authorized to impose on the property, if this subsection  
15 does not otherwise require that portion to be deducted; or

16 (B) action taken by the district under Subchapter  
17 B or C, Chapter 313[~~, Tax Code,~~] before the expiration of the  
18 subchapter;

19 (10) the market value of all tangible personal  
20 property, other than manufactured homes, owned by a family or  
21 individual and not held or used for the production of income;

22 (11) the appraised value of property the collection of  
23 delinquent taxes on which is deferred under Section 33.06[~~, Tax~~  
24 ~~Code~~];

25 (12) the portion of the appraised value of property  
26 the collection of delinquent taxes on which is deferred under  
27 Section 33.065[~~, Tax Code~~]; and

1           (13) the amount by which the market value of a  
2 residence homestead to which Section 23.23[~~, Tax Code,~~] applies  
3 exceeds the appraised value of that property as calculated under  
4 that section.

5           (d-1) For purposes of Subsection (d), a residence homestead  
6 that receives an exemption under Section 11.131 or 11.132[~~, Tax~~  
7 ~~Code,~~] in the year that is the subject of the study is not  
8 considered to be taxable property.

9           (e) The total dollar amount deducted in each year as  
10 required by Subsection (d)(4) in a reinvestment zone created after  
11 January 1, 1999, may not exceed the captured appraised value  
12 estimated for that year as required by Section 311.011(c)(8)[~~, Tax~~  
13 ~~Code,~~] in the reinvestment zone financing plan approved under  
14 Section 311.011(d)[~~, Tax Code,~~] before September 1, 1999. The  
15 number of years for which the total dollar amount may be deducted  
16 under Subsection (d)(4) shall for any zone, including those created  
17 on or before January 1, 1999, be limited to the duration of the zone  
18 as specified as required by Section 311.011(c)(9)[~~, Tax Code,~~] in  
19 the reinvestment zone financing plan approved under Section  
20 311.011(d)[~~, Tax Code,~~] before September 1, 1999. The total dollar  
21 amount deducted under Subsection (d)(4) for any zone, including  
22 those created on or before January 1, 1999, may not be increased by  
23 any reinvestment zone financing plan amendments that occur after  
24 August 31, 1999. The total dollar amount deducted under Subsection  
25 (d)(4) for any zone, including those created on or before January 1,  
26 1999, may not be increased by a change made after August 31, 1999,  
27 in the portion of the tax increment retained by the school district.

1           (e-1) This subsection applies only to a reinvestment zone  
2 created by a municipality that has a population of 70,000 or less  
3 and is located in a county in which all or part of a military  
4 installation is located. Notwithstanding Subsection (e), if on or  
5 after January 1, 2017, the municipality adopts an ordinance  
6 designating a termination date for the zone that is later than the  
7 termination date designated in the ordinance creating the zone, the  
8 number of years for which the total dollar amount may be deducted  
9 under Subsection (d)(4) is limited to the duration of the zone as  
10 determined under Section 311.017[~~, Tax Code~~].

11           (f) The study shall determine the values as of January 1 of  
12 each year:

13                 (1) for a school district in which a study was  
14 conducted according to the results of the study; and

15                 (2) for a school district in which a study was not  
16 conducted according to the market value determined by the appraisal  
17 district that appraises property for the district, less the amounts  
18 specified by Subsection (d).

19           (g) The board [~~comptroller~~] shall publish preliminary  
20 findings, listing values by district, before February 1 of the year  
21 following the year of the study. Preliminary findings shall be  
22 delivered to each school district and shall be certified to the  
23 commissioner of education.

24           (h) On request of the commissioner of education or a school  
25 district, the board [~~comptroller~~] may audit the total taxable value  
26 of property in a school district and may revise the study findings.  
27 The request for audit is limited to corrections and changes in a

1 school district's appraisal roll that occurred after preliminary  
2 certification of the study findings by the board [~~comptroller~~].  
3 Except as otherwise provided by this subsection, the request for  
4 audit must be filed with the board [~~comptroller~~] not later than the  
5 third anniversary of the date of the final certification of the  
6 study findings. The request for audit may be filed not later than  
7 the first anniversary of the date the chief appraiser certifies a  
8 change to the appraisal roll if the chief appraiser corrects the  
9 appraisal roll under Section 25.25 or 42.41[~~, Tax Code,~~] and the  
10 change results in a material reduction in the total taxable value of  
11 property in the school district. The board [~~comptroller~~] shall  
12 certify the findings of the audit to the commissioner of education.

13 (i) If the board [~~comptroller~~] determines in the study that  
14 the market value of property in a school district as determined by  
15 the appraisal district that appraises property for the school  
16 district, less the total of the amounts and values listed in  
17 Subsection (d) as determined by that appraisal district, is valid,  
18 the board [~~comptroller~~], in determining the taxable value of  
19 property in the school district under Subsection (d), shall for  
20 purposes of Subsection (d)(13) subtract from the market value as  
21 determined by the appraisal district of residence homesteads to  
22 which Section 23.23[~~, Tax Code,~~] applies the amount by which that  
23 amount exceeds the appraised value of those properties as  
24 calculated by the appraisal district under Section 23.23[~~, Tax~~  
25 ~~Code~~]. If the board [~~comptroller~~] determines in the study that the  
26 market value of property in a school district as determined by the  
27 appraisal district that appraises property for the school district,

1 less the total of the amounts and values listed in Subsection (d) as  
2 determined by that appraisal district, is not valid, the board  
3 [~~comptroller~~], in determining the taxable value of property in the  
4 school district under Subsection (d), shall for purposes of  
5 Subsection (d)(13) subtract from the market value as estimated by  
6 the board [~~comptroller~~] of residence homesteads to which Section  
7 23.23[~~, Tax Code~~] applies the amount by which that amount exceeds  
8 the appraised value of those properties as calculated by the  
9 appraisal district under Section 23.23[~~, Tax Code~~].

10 (j) For purposes of Chapter 42, Education Code, the board  
11 [~~comptroller~~] shall certify to the commissioner of education:

12 (1) a final value for each school district computed on  
13 a residence homestead exemption under Section 1-b(c), Article VIII,  
14 Texas Constitution, of \$5,000;

15 (2) a final value for each school district computed  
16 on:

17 (A) a residence homestead exemption under  
18 Section 1-b(c), Article VIII, Texas Constitution, of \$15,000; and

19 (B) the effect of the additional limitation on  
20 tax increases under Section 1-b(d), Article VIII, Texas  
21 Constitution, as proposed by H.J.R. No. 4, 75th Legislature,  
22 Regular Session, 1997; and

23 (3) a final value for each school district computed on  
24 the effect of the reduction of the limitation on tax increases to  
25 reflect any reduction in the school district tax rate as provided by  
26 Section 11.26(a-1), (a-2), or (a-3), [~~Tax Code~~] as applicable.

27 (k) For purposes of Section 42.2522, Education Code, the

1 board [~~comptroller~~] shall certify to the commissioner of education:

2 (1) a final value for each school district computed  
3 without any deduction for residence homestead exemptions granted  
4 under Section 11.13(n) [~~Tax Code~~]; and

5 (2) a final value for each school district computed  
6 after deducting one-half the total dollar amount of residence  
7 homestead exemptions granted under Section 11.13(n) [~~Tax Code~~].

8 (1) If after conducting the study for a year the board  
9 [~~comptroller~~] determines that a school district is an eligible  
10 school district, for that year and the following year the taxable  
11 value for the school district is the district's local value.

12 (m) Subsection (d)(9) does not apply to property that was  
13 the subject of an application under Subchapter B or C, Chapter 313,  
14 [~~Tax Code~~] made after May 1, 2009, that the board or comptroller,  
15 as applicable, recommended should be disapproved.

16 (m-1) The State Property Tax Board's [~~Comptroller's~~]  
17 Property Value Study Advisory Committee is created. The committee  
18 is composed of:

19 (1) one member of the house of representatives,  
20 appointed by the speaker of the house of representatives;

21 (2) one member of the senate, appointed by the  
22 lieutenant governor;

23 (3) two members who represent appraisal districts,  
24 appointed by the board chair [~~comptroller~~];

25 (4) two members who represent school districts,  
26 appointed by the board chair [~~comptroller~~]; and

27 (5) three members appointed by the board chair

1 ~~[comptroller]~~ who are residents of this state and are school  
2 district taxpayers or have expertise in school district taxation or  
3 ratio studies.

4 (n) Chapter 2110, Government Code, does not apply to the  
5 size, composition, or duration of the State Property Tax Board's  
6 ~~[Comptroller's]~~ Property Value Study Advisory Committee.

7 (o) The board ~~[comptroller]~~ shall adopt rules governing the  
8 conduct of the study after consultation with the board's  
9 ~~[Comptroller's]~~ Property Value Study Advisory Committee.

10 Sec. 5.24 ~~[403.303]~~. PROTEST. (a) A school district or a  
11 property owner whose property is included in the study under  
12 Section 5.23 ~~[403.302]~~ and whose tax liability on the property is  
13 \$100,000 or more may protest the board's ~~[comptroller's]~~ findings  
14 under Section 5.23(g) or (h) ~~[403.302(g) or (h)]~~ by filing a  
15 petition with the board ~~[comptroller]~~. The petition must be filed  
16 not later than the 40th day after the date on which the board's  
17 ~~[comptroller's]~~ findings are certified to the commissioner of  
18 education and must specify the grounds for objection and the value  
19 claimed to be correct by the school district or property owner.

20 (b) After receipt of a petition, the board ~~[comptroller]~~  
21 shall hold a hearing. The board ~~[comptroller]~~ has the burden to  
22 prove the accuracy of the findings. Until a final decision is made  
23 by the board ~~[comptroller]~~, the taxable value of property in the  
24 district is determined, with respect to property subject to the  
25 protest, according to the value claimed by the school district or  
26 property owner, except that the value to be used while a final  
27 decision is pending may not be less than the appraisal roll value

1 for the year of the study. If after a hearing the board  
2 [~~comptroller~~] concludes that the findings should be changed, the  
3 board [~~comptroller~~] shall order the appropriate changes and shall  
4 certify to the commissioner of education the changes in the values  
5 of the school district that brought the protest, the values of the  
6 school district named by the property owner who brought the  
7 protest, or, if the board [~~comptroller~~] by rule allows an appraisal  
8 district to bring a protest, the values of the school district named  
9 by the appraisal district that brought the protest. The board  
10 [~~comptroller~~] may not order a change in the values of a school  
11 district as a result of a protest brought by another school  
12 district, a property owner in the other school district, or an  
13 appraisal district that appraises property for the other school  
14 district. The board [~~comptroller~~] shall complete all protest  
15 hearings and certify all changes as necessary to comply with  
16 Chapter 42, Education Code. A hearing conducted under this  
17 subsection is not a contested case for purposes of Section  
18 [2001.003](#), Government Code.

19 (c) The board [~~comptroller~~] shall adopt procedural rules  
20 governing the conduct of protest hearings. The rules shall provide  
21 each protesting school district and property owner with the  
22 requirements for submitting a petition initiating a protest and  
23 shall provide each protesting school district and property owner  
24 with adequate notice of a hearing, an opportunity to present  
25 evidence and oral argument, and notice of the board's  
26 [~~comptroller's~~] decision on the hearing.

27 (d) A protesting school district may appeal a determination



1 of a protest by the board [~~comptroller~~] to a district court of  
2 Travis County by filing a petition with the court. An appeal must  
3 be filed not later than the 30th day after the date the school  
4 district receives notification of a final decision on a protest.  
5 Review is conducted by the court sitting without a jury. The court  
6 shall remand the determination to the board [~~comptroller~~] if on the  
7 review the court discovers that substantial rights of the school  
8 district have been prejudiced, and that:

9 (1) the board [~~comptroller~~] has acted arbitrarily and  
10 without regard to the facts; or

11 (2) the finding of the board [~~comptroller~~] is not  
12 reasonably supported by substantial evidence introduced before the  
13 court.

14 (e) If, in a hearing under Subsection (b), the board  
15 [~~comptroller~~] has not heard the case or read the record, the  
16 decision may not be made until a proposal for decision is served on  
17 each party and an opportunity to file exceptions is afforded to each  
18 party adversely affected. If exceptions are filed, an opportunity  
19 must be afforded to all other parties to file replies to the  
20 exceptions. The proposal for decision must contain a statement of  
21 the reasons for the proposed decision, prepared by the person who  
22 conducted the hearing or by a person who has read the record. The  
23 proposal for decision may be amended pursuant to the exceptions or  
24 replies submitted without again being served on the parties. The  
25 parties by written stipulation may waive compliance with this  
26 subsection. The board [~~comptroller~~] may adopt rules to implement  
27 this subsection.

1           Sec. 5.25 [~~403.304~~]. COOPERATION WITH BOARD [~~COMPTROLLER~~];  
2 CONFIDENTIALITY. (a) A school district, appraisal district, or  
3 other governmental entity in this state shall promptly comply with  
4 an oral or written request from the board [~~comptroller~~] for  
5 information to be used in conducting a study, including information  
6 that is made confidential by Chapter 552, Government Code [~~of this~~  
7 ~~code~~], Section 22.27 of this code, [~~Tax Code~~] or another law of  
8 this state.

9           (a-1) All information the board [~~comptroller~~] obtains from  
10 a person, other than a government or governmental subdivision or  
11 agency, under an assurance that the information will be kept  
12 confidential, in the course of conducting a study is confidential  
13 and may not be disclosed except as provided in Subsection (b).

14           (b) Information made confidential by this section may be  
15 disclosed:

16                   (1) in a judicial or administrative proceeding  
17 pursuant to a lawful subpoena;

18                   (2) to the person who gave the information to the board  
19 [~~comptroller~~]; or

20                   (3) for statistical purposes if in a form that does not  
21 identify specific property or a specific property owner.

22           ARTICLE 2. TRANSFER OF DUTIES AND CONFORMING AMENDMENTS

23           SECTION 2.01. Sections 1.085(e), (f), and (g), Tax Code,  
24 are amended to read as follows:

25           (e) The State Property Tax Board [~~comptroller~~] by rule:

26                   (1) shall prescribe acceptable media, formats,  
27 content, and methods for the electronic transmission of notices

1 required by Section 25.19; and

2 (2) may prescribe acceptable media, formats, content,  
3 and methods for the electronic transmission of other notices,  
4 renditions, and applications.

5 (f) In an agreement entered into under this section, a chief  
6 appraiser may select the medium, format, content, and method to be  
7 used by the appraisal district from among those prescribed by the  
8 State Property Tax Board [~~comptroller~~] under Subsection (e). If  
9 the board [~~comptroller~~] has not prescribed the media, format,  
10 content, and method applicable to the communication, the chief  
11 appraiser may determine the medium, format, content, and method to  
12 be used.

13 (g) Notwithstanding Subsection (a), if a property owner  
14 whose property is included in 25 or more accounts in the appraisal  
15 records of the appraisal district requests the chief appraiser to  
16 enter into an agreement for the delivery of the notice required by  
17 Section 25.19 in an electronic format, the chief appraiser must  
18 enter into an agreement under this section for that purpose if the  
19 appraisal district is located in a county that has a population of  
20 more than 200,000. If the chief appraiser must enter into an  
21 agreement under this subsection, the chief appraiser shall deliver  
22 the notice in accordance with an electronic medium, format,  
23 content, and method prescribed by the State Property Tax Board  
24 [~~comptroller~~] under Subsection (e). If the board [~~comptroller~~] has  
25 not prescribed the media, format, content, and method applicable to  
26 the notice, the chief appraiser may determine the medium, format,  
27 content, and method to be used.

1 SECTION 2.02. Sections 1.111(b), (e), and (h), Tax Code,  
2 are amended to read as follows:

3 (b) The designation of an agent must be made by written  
4 authorization on a form prescribed by the State Property Tax Board  
5 [~~comptroller~~] under Subsection (h) and signed by the owner, a  
6 property manager authorized to designate agents for the owner, or  
7 another person authorized to act on behalf of the owner other than  
8 the person being designated as agent, and must clearly indicate  
9 that the person is authorized to act on behalf of the property owner  
10 in property tax matters relating to the property or the property  
11 owner. The designation may authorize the agent to represent the  
12 owner in all property tax matters or in specific property tax  
13 matters as identified in the designation. The designation does not  
14 take effect with respect to an appraisal district or a taxing unit  
15 participating in the appraisal district until a copy of the  
16 designation is filed with the appraisal district. Each appraisal  
17 district established for a county having a population of 500,000 or  
18 more shall implement a system that allows a designation to be signed  
19 and filed electronically.

20 (e) An agreement between a property owner or the owner's  
21 agent and the chief appraiser is final if the agreement relates to a  
22 matter:

23 (1) which may be protested to the appraisal review  
24 board or on which a protest has been filed but not determined by the  
25 appraisal review board; or

26 (2) which may be corrected under Section 25.25 or on  
27 which a motion for correction under that section has been filed but

1 not determined by the appraisal review board.

2 (h) The State Property Tax Board [~~comptroller~~] shall  
3 prescribe forms and adopt rules to facilitate compliance with this  
4 section. The board [~~comptroller~~] shall include on any form used for  
5 designation of an agent for a single-family residential property in  
6 which the property owner resides the following statement in  
7 boldfaced type:

8 "In some cases, you may want to contact your appraisal district or  
9 other local taxing units for free information and/or forms  
10 concerning your case before designating an agent."

11 SECTION 2.03. Sections 6.05(c) and (i), Tax Code, are  
12 amended to read as follows:

13 (c) The chief appraiser is the chief administrator of the  
14 appraisal office. Except as provided by Section 6.0501, the chief  
15 appraiser is appointed by and serves at the pleasure of the  
16 appraisal district board of directors. If a taxing unit performs  
17 the duties of the appraisal office pursuant to a contract, the  
18 assessor for the unit is the chief appraiser. To be eligible to be  
19 appointed or serve as a chief appraiser, a person must be certified  
20 as a registered professional appraiser under Section 1151.160,  
21 Occupations Code, possess an MAI professional designation from the  
22 Appraisal Institute, or possess an Assessment Administration  
23 Specialist (AAS), Certified Assessment Evaluator (CAE), or  
24 Residential Evaluation Specialist (RES) professional designation  
25 from the International Association of Assessing Officers. A person  
26 who is eligible to be appointed or serve as a chief appraiser by  
27 having a professional designation described by this subsection must

1 become certified as a registered professional appraiser under  
2 Section 1151.160, Occupations Code, not later than the fifth  
3 anniversary of the date the person is appointed or begins to serve  
4 as chief appraiser. A chief appraiser who is not eligible to be  
5 appointed or serve as chief appraiser may not perform an action  
6 authorized or required by law to be performed by a chief appraiser,  
7 including the preparation, certification, or submission of any part  
8 of the appraisal roll. Not later than January 1 of each year, a  
9 chief appraiser shall notify the State Property Tax Board  
10 [~~comptroller~~] in writing that the chief appraiser is either  
11 eligible to be appointed or serve as the chief appraiser or not  
12 eligible to be appointed or serve as the chief appraiser.

13 (i) To ensure adherence with generally accepted appraisal  
14 practices, the board of directors of an appraisal district shall  
15 develop biennially a written plan for the periodic reappraisal of  
16 all property within the boundaries of the district according to the  
17 requirements of Section 25.18 and shall hold a public hearing to  
18 consider the proposed plan. Not later than the 10th day before the  
19 date of the hearing, the secretary of the board shall deliver to the  
20 presiding officer of the governing body of each taxing unit  
21 participating in the district a written notice of the date, time,  
22 and place for the hearing. Not later than September 15 of each  
23 even-numbered year, the board shall complete its hearings, make any  
24 amendments, and by resolution finally approve the plan. Copies of  
25 the approved plan shall be distributed to the presiding officer of  
26 the governing body of each taxing unit participating in the  
27 district and to the State Property Tax Board [~~comptroller~~] within

1 60 days of the approval date.

2 SECTION 2.04. Section 6.0501, Tax Code, is amended to read  
3 as follows:

4 Sec. 6.0501. APPOINTMENT OF ELIGIBLE CHIEF APPRAISER BY  
5 STATE PROPERTY TAX BOARD [~~COMPTROLLER~~]. (a) The State Property  
6 Tax Board [~~comptroller~~] shall appoint a person eligible to be a  
7 chief appraiser under Section 6.05(c) or a person who has  
8 previously been appointed or served as a chief appraiser to perform  
9 the duties of chief appraiser for an appraisal district whose chief  
10 appraiser is ineligible to serve.

11 (b) A chief appraiser appointed under this section serves  
12 until the earlier of:

13 (1) the first anniversary of the date the State  
14 Property Tax Board [~~comptroller~~] appoints the chief appraiser; or

15 (2) the date the board of directors of the appraisal  
16 district:

17 (A) appoints a chief appraiser under Section  
18 6.05(c); or

19 (B) contracts with an appraisal district or a  
20 taxing unit to perform the duties of the appraisal office for the  
21 district under Section 6.05(b).

22 (c) The State Property Tax Board [~~comptroller~~] shall  
23 determine the compensation of a chief appraiser appointed under  
24 this section. A chief appraiser appointed under this section shall  
25 determine the budget necessary for the adequate operation of the  
26 appraisal office, subject to the approval of the State Property Tax  
27 Board [~~comptroller~~]. The board of directors of the appraisal

1 district shall amend the budget as necessary to compensate the  
2 appointed chief appraiser and fund the appraisal office as  
3 determined under this subsection.

4 (d) An appraisal district that does not appoint a chief  
5 appraiser or contract with an appraisal district or a taxing unit to  
6 perform the duties of the appraisal office by the first anniversary  
7 of the date the State Property Tax Board [~~comptroller~~] appoints a  
8 chief appraiser shall contract with an appraisal district or a  
9 taxing unit to perform the duties of the appraisal office or with a  
10 qualified public or private entity to perform the duties of the  
11 chief appraiser, subject to the approval of the State Property Tax  
12 Board [~~comptroller~~].

13 SECTION 2.05. Sections 6.052(a) and (b), Tax Code, are  
14 amended to read as follows:

15 (a) The board of directors for an appraisal district created  
16 for a county with a population of more than 120,000 shall appoint a  
17 taxpayer liaison officer who shall serve at the pleasure of the  
18 board. The taxpayer liaison officer shall administer the public  
19 access functions required by Sections 6.04(d), (e), and (f), and is  
20 responsible for resolving disputes not involving matters that may  
21 be protested under Section 41.41. In addition, the taxpayer  
22 liaison officer is responsible for receiving, and compiling a list  
23 of, comments and suggestions filed by the chief appraiser, a  
24 property owner, or a property owner's agent concerning the matters  
25 listed in Section 5.103(b) or any other matter related to the  
26 fairness and efficiency of the appraisal review board established  
27 for the appraisal district. The taxpayer liaison officer shall



1 forward to the State Property Tax Board [~~comptroller~~] comments and  
 2 suggestions filed under this subsection in the form and manner  
 3 prescribed by that board [~~the comptroller~~].

4 (b) The taxpayer liaison officer shall provide to the public  
 5 information and materials designed to assist property owners in  
 6 understanding the appraisal process, protest procedures, the  
 7 procedure for filing comments and suggestions under Subsection (a)  
 8 of this section or a complaint under Section 6.04(g), and other  
 9 matters. Information concerning the process for submitting  
 10 comments and suggestions to the State Property Tax Board  
 11 [~~comptroller~~] concerning an appraisal review board shall be  
 12 provided at each protest hearing.

13 SECTION 2.06. Section 6.412(c), Tax Code, is amended to  
 14 read as follows:

15 (c) A person is ineligible to serve on the appraisal review  
 16 board if the person is a member of the board of directors, an  
 17 officer, or an employee of the appraisal district, is an employee or  
 18 member of the State Property Tax Board [~~comptroller~~], or is a  
 19 member of the governing body, an officer, or an employee of a taxing  
 20 unit.

21 SECTION 2.07. Section 11.11(b), Tax Code, is amended to  
 22 read as follows:

23 (b) Land owned by the Permanent University Fund is taxable  
 24 for county purposes. Any notice required by Section 25.19 [~~of this~~  
 25 ~~code~~] shall be sent to the State Property Tax Board [~~comptroller~~],  
 26 and the board [~~comptroller~~] shall appear on [~~in~~] behalf of the state  
 27 in any protest or appeal relating to taxation of Permanent

1 University Fund land.

2 SECTION 2.08. Section 11.135(g), Tax Code, is amended to  
3 read as follows:

4 (g) The State Property Tax Board [~~comptroller~~] shall adopt  
5 rules and forms to implement this section.

6 SECTION 2.09. Section 11.182(i), Tax Code, is amended to  
7 read as follows:

8 (i) If any property owned by an organization receiving an  
9 exemption under this section has been acquired or sold during the  
10 preceding year, such organization shall file by March 31 of the  
11 following year with the chief appraiser in the county in which the  
12 relevant property is located, on a form promulgated by the State  
13 Property Tax Board [~~comptroller of public accounts~~], a list of such  
14 properties acquired or sold during the preceding year.

15 SECTION 2.10. Section 11.26(e), Tax Code, is amended to  
16 read as follows:

17 (e) For each school district in an appraisal district, the  
18 chief appraiser shall determine the portion of the appraised value  
19 of residence homesteads of individuals on which school district  
20 taxes are not imposed in a tax year because of the limitation on tax  
21 increases imposed by this section. That portion is calculated by  
22 determining the taxable value that, if multiplied by the tax rate  
23 adopted by the school district for the tax year, would produce an  
24 amount equal to the amount of tax that would have been imposed by  
25 the school district on those residence homesteads if the limitation  
26 on tax increases imposed by this section were not in effect, but  
27 that was not imposed because of that limitation. The chief

1 appraiser shall determine that taxable value and certify it to the  
2 State Property Tax Board [~~comptroller~~] as soon as practicable for  
3 each tax year.

4 SECTION 2.11. Section 11.27(b), Tax Code, is amended to  
5 read as follows:

6 (b) The State Property Tax Board [~~comptroller~~], with the  
7 assistance of the Texas Energy and Natural Resources Advisory  
8 Council, or its successor, shall develop guidelines to assist local  
9 officials in the administration of this section.

10 SECTION 2.12. Sections 11.43(f) and (j), Tax Code, are  
11 amended to read as follows:

12 (f) The State Property Tax Board [~~comptroller~~], in  
13 prescribing the contents of the application form for each kind of  
14 exemption, shall ensure that the form requires an applicant to  
15 furnish the information necessary to determine the validity of the  
16 exemption claim. The form must require an applicant to provide the  
17 applicant's name and driver's license number, personal  
18 identification certificate number, or social security account  
19 number. If the applicant is a charitable organization with a  
20 federal tax identification number, the form must allow the  
21 applicant to provide the organization's federal tax identification  
22 number in lieu of a driver's license number, personal  
23 identification certificate number, or social security account  
24 number. The board [~~comptroller~~] shall include on the forms a notice  
25 of the penalties prescribed by Section 37.10, Penal Code, for  
26 making or filing an application containing a false statement. The  
27 board [~~comptroller~~] shall include, on application forms for

1 exemptions that do not have to be claimed annually, a statement  
2 explaining that the application need not be made annually and that  
3 if the exemption is allowed, the applicant has a duty to notify the  
4 chief appraiser when the applicant's entitlement to the exemption  
5 ends. In this subsection:

6 (1) "Driver's license" has the meaning assigned that  
7 term by Section 521.001, Transportation Code.

8 (2) "Personal identification certificate" means a  
9 certificate issued by the Department of Public Safety under  
10 Subchapter E, Chapter 521, Transportation Code.

11 (j) In addition to the items required by Subsection (f), an  
12 application for a residence homestead exemption prescribed by the  
13 State Property Tax Board [~~comptroller~~] and authorized by Section  
14 11.13 must:

15 (1) list each owner of the residence homestead and the  
16 interest of each owner;

17 (2) state that the applicant does not claim an  
18 exemption under that section on another residence homestead in this  
19 state or claim a residence homestead exemption on a residence  
20 homestead outside this state;

21 (3) state that each fact contained in the application  
22 is true;

23 (4) include a copy of the applicant's driver's license  
24 or state-issued personal identification certificate unless the  
25 applicant:

26 (A) is a resident of a facility that provides  
27 services related to health, infirmity, or aging; or

1 (B) is certified for participation in the address  
2 confidentiality program administered by the attorney general under  
3 Subchapter C, Chapter 56, Code of Criminal Procedure;

4 (5) state that the applicant has read and understands  
5 the notice of the penalties required by Subsection (f); and

6 (6) be signed by the applicant.

7 SECTION 2.13. Section 11.44(c), Tax Code, is amended to  
8 read as follows:

9 (c) The State Property Tax Board [~~comptroller~~] shall  
10 prescribe by rule the content of the explanation required by  
11 Subsection (a) of this section, and shall require that each  
12 exemption application form be printed and prepared:

13 (1) as a separate form from any other form; or

14 (2) on the front of the form if the form also provides  
15 for other information.

16 SECTION 2.14. Section 11.48(b), Tax Code, is amended to  
17 read as follows:

18 (b) Information made confidential by this section may be  
19 disclosed:

20 (1) in a judicial or administrative proceeding  
21 pursuant to a lawful subpoena;

22 (2) to the person who filed the application or to the  
23 person's representative authorized in writing to receive the  
24 information;

25 (3) to the State Property Tax Board [~~comptroller~~] and  
26 the board's [~~comptroller's~~] employees authorized by the board  
27 [~~comptroller~~] in writing to receive the information or to an

1 assessor or a chief appraiser if requested in writing;

2 (4) in a judicial or administrative proceeding  
3 relating to property taxation to which the person who filed the  
4 application is a party; or

5 (5) if and to the extent the information is required to  
6 be included in a public document or record that the appraisal office  
7 is required by law to prepare or maintain.

8 SECTION 2.15. Section 21.03(b), Tax Code, is amended to  
9 read as follows:

10 (b) The State Property Tax Board [~~comptroller~~] shall adopt  
11 rules:

12 (1) identifying the kinds of property subject to this  
13 section; and

14 (2) establishing formulas for calculating the  
15 proportion of total market value to be allocated to this state.

16 SECTION 2.16. Sections 21.031(e) and (f), Tax Code, are  
17 amended to read as follows:

18 (e) To receive an allocation of value under this section, a  
19 property owner must apply for the allocation on a form that  
20 substantially complies with the form prescribed by the State  
21 Property Tax Board [~~comptroller~~]. The application must be filed  
22 with the chief appraiser for the district in which the property to  
23 which the application applies is taxable before the approval of the  
24 appraisal records by the appraisal review board as provided by  
25 Section 41.12 [~~of this code~~].

26 (f) The State Property Tax Board [~~comptroller~~] shall  
27 promulgate forms and may adopt rules consistent with the provisions

1 of this section.

2 SECTION 2.17. Section 21.09(c), Tax Code, is amended to  
3 read as follows:

4 (c) The State Property Tax Board [~~comptroller~~] shall  
5 prescribe the contents of the allocation application form and shall  
6 ensure that the form requires an applicant to provide the  
7 information necessary to determine the validity of the allocation  
8 claim.

9 SECTION 2.18. Section 22.01(1), Tax Code, is amended to  
10 read as follows:

11 (1) If the information contained in the most recent  
12 rendition statement filed by a person in a prior tax year is  
13 accurate with respect to the current tax year, the person may comply  
14 with the requirements of Subsection (a) by filing a rendition  
15 statement on a form prescribed or approved by the State Property Tax  
16 Board [~~comptroller~~] under Section 22.24(c) on which the person has  
17 checked the appropriate box to affirm that the information  
18 continues to be complete and accurate.

19 SECTION 2.19. Section 22.21, Tax Code, is amended to read as  
20 follows:

21 Sec. 22.21. PUBLICIZING REQUIREMENTS. Each year the State  
22 Property Tax Board [~~comptroller~~] and each chief appraiser shall  
23 publicize in a manner reasonably designed to notify all property  
24 owners the requirements of the law relating to filing rendition  
25 statements and property reports and of the availability of forms.

26 SECTION 2.20. Sections 22.24(a), (c), and (e), Tax Code,  
27 are amended to read as follows:

1 (a) A person required to render property or to file a report  
2 as provided by this chapter shall use a form that substantially  
3 complies with the appropriate form prescribed or approved by the  
4 State Property Tax Board [~~comptroller~~].

5 (c) The State Property Tax Board [~~comptroller~~] may  
6 prescribe or approve different forms for different kinds of  
7 property but shall ensure that each form requires a property owner  
8 to furnish the information necessary to identify the property and  
9 to determine its ownership, taxability, and situs. Each form must  
10 include a box that the property owner may check to permit the  
11 property owner to affirm that the information contained in the most  
12 recent rendition statement filed by the property owner in a prior  
13 tax year is accurate with respect to the current tax year in  
14 accordance with Section 22.01(1). A form may not require but may  
15 permit a property owner to furnish information not specifically  
16 required by this chapter to be reported. In addition, a form  
17 prescribed or approved under this subsection must contain the  
18 following statement in bold type: "If you make a false statement on  
19 this form, you could be found guilty of a Class A misdemeanor or a  
20 state jail felony under Section 37.10, Penal Code."

21 (e) To be valid, a rendition or report must be sworn to  
22 before an officer authorized by law to administer an oath. The  
23 State Property Tax Board [~~comptroller~~] may not prescribe or approve  
24 a rendition or report form unless the form provides for the person  
25 filing the form to swear that the information provided in the  
26 rendition or report is true and accurate to the best of the person's  
27 knowledge and belief. This subsection does not apply to a rendition



1 or report filed by a secured party, as defined by Section 22.01, the  
2 property owner, an employee of the property owner, or an employee of  
3 a property owner on behalf of an affiliated entity of the property  
4 owner.

5 SECTION 2.21. Sections 22.27(a), (b), and (d), Tax Code,  
6 are amended to read as follows:

7 (a) Rendition statements, real and personal property  
8 reports, attachments to those statements and reports, and other  
9 information the owner of property provides to the appraisal office  
10 in connection with the appraisal of the property, including income  
11 and expense information related to a property filed with an  
12 appraisal office and information voluntarily disclosed to an  
13 appraisal office or the State Property Tax Board [~~comptroller~~]  
14 about real or personal property sales prices after a promise it will  
15 be held confidential, are confidential and not open to public  
16 inspection. The statements and reports and the information they  
17 contain about specific real or personal property or a specific real  
18 or personal property owner and information voluntarily disclosed to  
19 an appraisal office about real or personal property sales prices  
20 after a promise it will be held confidential may not be disclosed to  
21 anyone other than an employee of the appraisal office who appraises  
22 property except as authorized by Subsection (b) of this section.

23 (b) Information made confidential by this section may be  
24 disclosed:

25 (1) in a judicial or administrative proceeding  
26 pursuant to a lawful subpoena;

27 (2) to the person who filed the statement or report or

1 the owner of property subject to the statement, report, or  
2 information or to a representative of either authorized in writing  
3 to receive the information;

4 (3) to the State Property Tax Board [~~comptroller~~] and  
5 the board's [~~comptroller's~~] employees authorized by the board  
6 [~~comptroller~~] in writing to receive the information or to an  
7 assessor or a chief appraiser if requested in writing;

8 (4) in a judicial or administrative proceeding  
9 relating to property taxation to which the person who filed the  
10 statement or report or the owner of the property that is a subject  
11 of the statement, report, or information is a party;

12 (5) for statistical purposes if in a form that does not  
13 identify specific property or a specific property owner;

14 (6) if and to the extent the information is required to  
15 be included in a public document or record that the appraisal office  
16 is required to prepare or maintain;

17 (7) to a taxing unit or its legal representative that  
18 is engaged in the collection of delinquent taxes on the property  
19 that is the subject of the information;

20 (8) to an employee or agent of a taxing unit  
21 responsible for auditing, monitoring, or reviewing the operations  
22 of an appraisal district; or

23 (9) to an employee or agent of a school district that  
24 is engaged in the preparation of a protest of the State Property Tax  
25 Board's [~~comptroller's~~] property value study in accordance with  
26 Section 5.24 [~~403.303, Government Code~~].

27 (d) No person who directly or indirectly provides

1 information to the State Property Tax Board [~~comptroller~~] or  
2 appraisal office about real or personal property sales prices,  
3 either as set forth in Subsection (a) of this section under a  
4 promise of confidentiality, or otherwise, shall be liable to any  
5 other person as the result of providing such information.

6 SECTION 2.22. Sections 23.121(a)(3) and (6), Tax Code, are  
7 amended to read as follows:

8 (3) "Dealer" means a person who holds a dealer's  
9 general distinguishing number issued by the Texas Department of  
10 Motor Vehicles under the authority of Chapter 503, Transportation  
11 Code, or who is legally recognized as a motor vehicle dealer  
12 pursuant to the law of another state and who complies with the terms  
13 of Section 152.063(f). The term does not include:

14 (A) a person who holds a manufacturer's license  
15 issued under Chapter 2301, Occupations Code;

16 (B) an entity that is owned or controlled by a  
17 person who holds a manufacturer's license issued under Chapter  
18 2301, Occupations Code;

19 (C) a dealer whose general distinguishing number  
20 issued by the Texas Department of Motor Vehicles under the  
21 authority of Chapter 503, Transportation Code, prohibits the dealer  
22 from selling a vehicle to any person except a dealer; or

23 (D) a dealer who:

24 (i) does not sell motor vehicles described  
25 by Section 152.001(3)(A);

26 (ii) meets either of the following  
27 requirements:

1 (a) the total annual sales from the  
2 dealer's motor vehicle inventory, less sales to dealers, fleet  
3 transactions, and subsequent sales, for the 12-month period  
4 corresponding to the preceding tax year are 25 percent or less of  
5 the dealer's total revenue from all sources during that period; or

6 (b) the dealer did not sell a motor  
7 vehicle to a person other than another dealer during the 12-month  
8 period corresponding to the preceding tax year and the dealer  
9 estimates that the dealer's total annual sales from the dealer's  
10 motor vehicle inventory, less sales to dealers, fleet transactions,  
11 and subsequent sales, for the 12-month period corresponding to the  
12 current tax year will be 25 percent or less of the dealer's total  
13 revenue from all sources during that period;

14 (iii) not later than August 31 of the  
15 preceding tax year, filed with the chief appraiser and the  
16 collector a declaration on a form prescribed by the State Property  
17 Tax Board [~~comptroller~~] stating that the dealer elected not to be  
18 treated as a dealer under this section in the current tax year; and

19 (iv) renders the dealer's motor vehicle  
20 inventory in the current tax year by filing a rendition with the  
21 chief appraiser in the manner provided by Chapter 22.

22 (6) "Declaration" means the dealer's motor vehicle  
23 inventory declaration form promulgated by the State Property Tax  
24 Board [~~comptroller~~] as required by this section.

25 SECTION 2.23. Section 23.121(f), Tax Code, is amended to  
26 read as follows:

27 (f) The State Property Tax Board [~~comptroller~~] shall

1 promulgate a form entitled Dealer's Motor Vehicle Inventory  
2 Declaration. Except as provided by Section 23.122(1), not later  
3 than February 1 of each year, or, in the case of a dealer who was not  
4 in business on January 1, not later than 30 days after commencement  
5 of business, each dealer shall file a declaration with the chief  
6 appraiser and file a copy with the collector. For purposes of this  
7 subsection, a dealer is presumed to have commenced business on the  
8 date of issuance to the dealer of a dealer's general distinguishing  
9 number as provided by Chapter 503, Transportation Code.  
10 Notwithstanding the presumption created by this subsection, a chief  
11 appraiser may, at his or her sole discretion, designate as the date  
12 on which a dealer commenced business a date other than the date of  
13 issuance to the dealer of a dealer's general distinguishing number.  
14 The declaration is sufficient to comply with this subsection if it  
15 sets forth the following information:

16 (1) the name and business address of each location at  
17 which the dealer owner conducts business;

18 (2) each of the dealer's general distinguishing  
19 numbers issued by the Texas Department of Motor Vehicles;

20 (3) a statement that the dealer owner is the owner of a  
21 dealer's motor vehicle inventory; and

22 (4) the market value of the dealer's motor vehicle  
23 inventory for the current tax year as computed under Section  
24 23.121(b).

25 SECTION 2.24. Sections 23.122(a) and (e), Tax Code, are  
26 amended to read as follows:

27 (a) In this section:

- 1           (1) "Aggregate tax rate" means the combined tax rates  
2 of all relevant taxing units authorized by law to levy property  
3 taxes against a dealer's motor vehicle inventory.
- 4           (2) "Chief appraiser" has the meaning given it in  
5 Section 23.121 [~~of this code~~].
- 6           (3) "Collector" has the meaning given it in Section  
7 23.121 [~~of this code~~].
- 8           (4) "Dealer's motor vehicle inventory" has the meaning  
9 given it in Section 23.121 [~~of this code~~].
- 10          (5) "Declaration" has the meaning given it in Section  
11 23.121 [~~of this code~~].
- 12          (6) "Owner" has the meaning given it in Section 23.121  
13 [~~of this code~~].
- 14          (7) "Relevant taxing unit" means a taxing unit,  
15 including the county, authorized by law to levy property taxes  
16 against a dealer's motor vehicle inventory.
- 17          (8) "Sales price" has the meaning given it in Section  
18 23.121 [~~of this code~~].
- 19          (9) "Statement" means the Dealer's Motor Vehicle  
20 Inventory Tax Statement filed on a form promulgated by the State  
21 Property Tax Board [~~comptroller~~] as required by this section.
- 22          (10) "Subsequent sale" has the meaning given it in  
23 Section 23.121 [~~of this code~~].
- 24          (11) "Total annual sales" has the meaning given it in  
25 Section 23.121 [~~of this code~~].
- 26          (12) "Unit property tax factor" means a number equal  
27 to one-twelfth of the prior year aggregate tax rate at the location

1 where a dealer's motor vehicle inventory is located on January 1 of  
2 the current year.

3 (e) The State Property Tax Board [~~comptroller~~] shall  
4 promulgate a form entitled a Dealer's Motor Vehicle Inventory Tax  
5 Statement. Each month, a dealer shall complete the form regardless  
6 of whether a motor vehicle is sold. A dealer may use no other form  
7 for that purpose. The statement may include the information the  
8 board [~~comptroller~~] deems appropriate but shall include at least  
9 the following:

- 10 (1) a description of each motor vehicle sold;
- 11 (2) the sales price of the motor vehicle;
- 12 (3) the unit property tax of the motor vehicle if any;
- 13 and
- 14 (4) the reason no unit property tax is assigned if no  
15 unit property tax is assigned.

16 SECTION 2.25. Section 23.123(c), Tax Code, is amended to  
17 read as follows:

18 (c) Information made confidential by this section may be  
19 disclosed:

- 20 (1) in a judicial or administrative proceeding  
21 pursuant to a lawful subpoena;
- 22 (2) to the person who filed the declaration or  
23 statement or to that person's representative authorized by the  
24 person in writing to receive the information;
- 25 (3) to the comptroller or an employee of the  
26 comptroller authorized by the comptroller to receive the  
27 information;

- 1           (4) to a collector or chief appraiser;
- 2           (5) to a district attorney, criminal district attorney  
3 or county attorney involved in the enforcement of a penalty imposed  
4 pursuant to Section 23.121 or Section 23.122;
- 5           (6) for statistical purposes if in a form that does not  
6 identify specific property or a specific property owner;
- 7           (7) if and to the extent that the information is  
8 required for inclusion in a public document or record that the  
9 appraisal or collection office is required by law to prepare or  
10 maintain; ~~or~~
- 11           (8) to the Texas Department of Motor Vehicles for use  
12 by that department in auditing compliance of its licensees with  
13 appropriate provisions of applicable law; or
- 14           (9) to the State Property Tax Board or an employee of  
15 the board authorized by the board to receive the information.

16           SECTION 2.26. Section 23.124(a)(6), Tax Code, is amended to  
17 read as follows:

18           (6) "Declaration" means the dealer's vessel and  
19 outboard motor inventory declaration form promulgated by the State  
20 Property Tax Board ~~[comptroller]~~ as required by this section.

21           SECTION 2.27. Section 23.124(f), Tax Code, is amended to  
22 read as follows:

23           (f) The State Property Tax Board ~~[comptroller]~~ shall  
24 promulgate a form entitled "Dealer's Vessel and Outboard Motor  
25 Inventory Declaration." Except as provided by Section 23.125(1)  
26 ~~[of this code]~~, not later than February 1 of each year or, in the  
27 case of a dealer who was not in business on January 1, not later than



1 30 days after commencement of business, each dealer shall file a  
2 declaration with the chief appraiser and file a copy with the  
3 collector. The declaration is sufficient to comply with this  
4 subsection if it sets forth the following information:

5 (1) the name and business address of each location at  
6 which the dealer owner conducts business;

7 (2) each of the dealer's and manufacturer's numbers  
8 issued by the Parks and Wildlife Department;

9 (3) a statement that the dealer owner is the owner of a  
10 dealer's vessel and outboard motor inventory; and

11 (4) the market value of the dealer's vessel and  
12 outboard motor inventory for the current tax year as computed under  
13 Subsection (b) of this section.

14 SECTION 2.28. Section 23.1241(a)(4), Tax Code, is amended  
15 to read as follows:

16 (4) "Declaration" means a dealer's heavy equipment  
17 inventory declaration form adopted by the State Property Tax Board  
18 [~~comptroller~~] under this section.

19 SECTION 2.29. Section 23.1241(f), Tax Code, is amended to  
20 read as follows:

21 (f) The State Property Tax Board [~~comptroller~~] by rule shall  
22 adopt a dealer's heavy equipment inventory declaration form.  
23 Except as provided by Section 23.1242(k), not later than February 1  
24 of each year, or, in the case of a dealer who was not in business on  
25 January 1, not later than 30 days after commencement of business,  
26 each dealer shall file a declaration with the chief appraiser and  
27 file a copy with the collector. The declaration is sufficient to

1 comply with this subsection if it sets forth:

2 (1) the name and business address of each location at  
3 which the declarant conducts business;

4 (2) a statement that the declarant is the owner of a  
5 dealer's heavy equipment inventory; and

6 (3) the market value of the declarant's heavy  
7 equipment inventory for the current tax year as computed under  
8 Subsection (b).

9 SECTION 2.30. Section 23.1242(a)(3), Tax Code, is amended  
10 to read as follows:

11 (3) "Statement" means the dealer's heavy equipment  
12 inventory tax statement filed on a form adopted by the State  
13 Property Tax Board [~~comptroller~~] under this section.

14 SECTION 2.31. Section 23.1242(e), Tax Code, is amended to  
15 read as follows:

16 (e) The State Property Tax Board [~~comptroller~~] by rule shall  
17 adopt a dealer's heavy equipment inventory tax statement form.  
18 Each month, a dealer shall complete the form regardless of whether  
19 an item of heavy equipment is sold, leased, or rented. A dealer may  
20 use no other form for that purpose. The statement may include the  
21 information the board [~~comptroller~~] considers appropriate but  
22 shall include at least the following:

23 (1) a description of each item of heavy equipment  
24 sold, leased, or rented including any unique identification or  
25 serial number affixed to the item by the manufacturer;

26 (2) the sales price of or lease or rental payment  
27 received for the item of heavy equipment, as applicable;

1 (3) the unit property tax of the item of heavy  
2 equipment, if any; and

3 (4) the reason no unit property tax is assigned if no  
4 unit property tax is assigned.

5 SECTION 2.32. Sections 23.125(a) and (e), Tax Code, are  
6 amended to read as follows:

7 (a) In [~~in~~] this section:

8 (1) "Aggregate tax rate" means the combined tax rates  
9 of all relevant taxing units authorized by law to levy property  
10 taxes against a dealer's vessel and outboard motor inventory.

11 (2) "Chief appraiser" has the meaning given it in  
12 Section 23.124 [~~of this code~~].

13 (3) "Collector" has the meaning given it in Section  
14 23.124 [~~of this code~~].

15 (4) "Dealer's vessel and outboard motor inventory" has  
16 the meaning given it in Section 23.124 [~~of this code~~].

17 (5) "Declaration" has the meaning given it in Section  
18 23.124 [~~of this code~~].

19 (6) "Owner" has the meaning given it in Section 23.124  
20 [~~of this code~~].

21 (7) "Relevant taxing unit" means a taxing unit,  
22 including the county, authorized by law to levy property taxes  
23 against a dealer's vessel and outboard motor inventory.

24 (8) "Sales price" has the meaning given it in Section  
25 23.124 [~~of this code~~].

26 (9) "Statement" means the dealer's vessel and outboard  
27 motor inventory tax statement filed on a form promulgated by the

1 State Property Tax Board [~~comptroller~~] as required by this section.

2 (10) "Subsequent sale" has the meaning given it in  
3 Section 23.124 [~~of this code~~].

4 (11) "Total annual sales" has the meaning given it in  
5 Section 23.124 [~~of this code~~].

6 (12) "Unit property tax factor" means a number equal  
7 to one-twelfth of the prior year aggregate tax rate at the location  
8 where a dealer's vessel and outboard motor inventory is located on  
9 January 1 of the current year.

10 (e) The State Property Tax Board [~~comptroller~~] shall  
11 promulgate a form entitled "Dealer's Vessel and Outboard Motor  
12 Inventory Tax Statement." Each month, a dealer shall complete the  
13 form regardless of whether a vessel and outboard motor is sold. A  
14 dealer may use no other form for that purpose. The statement may  
15 include the information the board [~~comptroller~~] deems appropriate  
16 but shall include at least the following:

17 (1) a description of each vessel or outboard motor  
18 sold;

19 (2) the sales price of the vessel or outboard motor;

20 (3) the unit property tax of the vessel or outboard  
21 motor, if any; and

22 (4) the reason no unit property tax is assigned if no  
23 unit property tax is assigned.

24 SECTION 2.33. Section 23.126(c), Tax Code, is amended to  
25 read as follows:

26 (c) Information made confidential by this section may be  
27 disclosed:

1 (1) in a judicial or administrative proceeding  
2 pursuant to a lawful subpoena;

3 (2) to the person who filed the declaration or  
4 statement or to that person's representative authorized by the  
5 person in writing to receive the information;

6 (3) to the comptroller or an employee of the  
7 comptroller authorized by the comptroller to receive the  
8 information;

9 (4) to a collector or chief appraiser;

10 (5) to a district attorney, criminal district  
11 attorney, or county attorney involved in the enforcement of a  
12 penalty imposed pursuant to Section 23.124 or Section 23.125 [~~of~~  
13 ~~this code~~];

14 (6) for statistical purposes if in a form that does not  
15 identify specific property or a specific property owner; [~~or~~]

16 (7) if and to the extent that the information is  
17 required for inclusion in a document or record that the appraisal or  
18 collection office is required by law to prepare or maintain; or

19 (8) to the State Property Tax Board or an employee of  
20 the board authorized by the board to receive the information.

21 SECTION 2.34. Section 23.127(a)(3), Tax Code, is amended to  
22 read as follows:

23 (3) "Declaration" means a retail manufactured housing  
24 inventory declaration form adopted by the State Property Tax Board  
25 [~~comptroller~~] under this section.

26 SECTION 2.35. Section 23.127(f), Tax Code, is amended to  
27 read as follows:

1 (f) The State Property Tax Board [~~comptroller~~] by rule shall  
2 adopt a form entitled "Retail Manufactured Housing Inventory  
3 Declaration." Except as provided by Section 23.128(k), not later  
4 than February 1 of each year or, in the case of a retailer who was  
5 not in business on January 1, not later than the 30th day after the  
6 date the retailer commences business, each retailer shall file a  
7 declaration with the chief appraiser and file a copy with the  
8 collector. The declaration is sufficient to comply with this  
9 subsection if it sets forth the following information:

10 (1) the name and business address of each location at  
11 which the retailer conducts business;

12 (2) the retailer's license number issued by the  
13 department;

14 (3) a statement that the retailer is the owner of a  
15 retail manufactured housing inventory; and

16 (4) the market value of the retailer's manufactured  
17 housing inventory for the current tax year as computed under  
18 Subsection (b).

19 SECTION 2.36. Section 23.128(a)(4), Tax Code, is amended to  
20 read as follows:

21 (4) "Statement" means the retail manufactured housing  
22 inventory tax statement filed on a form adopted by the State  
23 Property Tax Board [~~comptroller~~] under this section.

24 SECTION 2.37. Section 23.128(e), Tax Code, is amended to  
25 read as follows:

26 (e) The State Property Tax Board [~~comptroller~~] by rule shall  
27 adopt a form entitled "Retail Manufactured Housing Inventory Tax

1 Statement." Each month, a retailer shall complete the form  
2 regardless of whether a unit of manufactured housing is sold. A  
3 retailer may not use another form for that purpose. The statement  
4 shall include:

5 (1) a description of the unit of manufactured housing  
6 sold, including any unique identification or serial number affixed  
7 to each unit by the manufacturer;

8 (2) the sales price of the unit of manufactured  
9 housing;

10 (3) any unit property tax of the unit of manufactured  
11 housing;

12 (4) the reason a unit property tax is not assigned if  
13 that is the case; and

14 (5) any other information the board [~~comptroller~~]  
15 considers appropriate.

16 SECTION 2.38. Section 23.175(b), Tax Code, is amended to  
17 read as follows:

18 (b) The State Property Tax Board [~~comptroller~~] by rule shall  
19 develop and distribute to each appraisal office appraisal manuals  
20 that specify the formula to be used in computing the limit on the  
21 price for an interest used in the second through the sixth year of  
22 an appraisal and the methods and procedures to discount future  
23 income from the sale of oil or gas from the interest to present  
24 value.

25 SECTION 2.39. Sections 23.41(b) and (e), Tax Code, are  
26 amended to read as follows:

27 (b) The State Property Tax Board [~~comptroller~~] shall

1 promulgate rules specifying the methods to apply and the procedures  
2 to use in appraising land designated for agricultural use.

3 (e) Improvements other than appurtenances to the land, the  
4 mineral estate, and all land used for residential purposes and for  
5 processing harvested agricultural products are appraised  
6 separately at market value. Riparian water rights, private roads,  
7 dams, reservoirs, water wells, and canals, ditches, terraces, and  
8 similar reshapings of or additions to the soil for agricultural  
9 purposes are appurtenances to the land, and the effect of each on  
10 the value of the land for agricultural use shall be considered in  
11 appraising the land. However, the State Property Tax Board  
12 [~~comptroller~~] shall provide that in calculating average net income  
13 from land a deduction from income be allowed for an appurtenance  
14 subject to depreciation or depletion.

15 SECTION 2.40. Section 23.43(d), Tax Code, is amended to  
16 read as follows:

17 (d) The State Property Tax Board [~~comptroller~~] in  
18 prescribing the contents of the application forms shall ensure that  
19 each form requires a claimant to furnish the information necessary  
20 to determine the validity of the claim. The board [~~comptroller~~]  
21 shall require that the form permit a claimant who has previously  
22 been allowed an agricultural designation to indicate that  
23 previously reported information has not changed and to supply only  
24 the eligibility information not previously reported.

25 SECTION 2.41. Section 23.45(b), Tax Code, is amended to  
26 read as follows:

27 (b) Information made confidential by this section may be



1 disclosed:

2 (1) in a judicial or administrative proceeding  
3 pursuant to a lawful subpoena;

4 (2) to the person who filed the application or to the  
5 person's [~~his~~] representative authorized in writing to receive the  
6 information;

7 (3) to the comptroller and to employees of the  
8 comptroller [~~his employees~~] authorized by the comptroller [~~him~~] in  
9 writing to receive the information or to an assessor or a chief  
10 appraiser if requested in writing by that official;

11 (4) in a judicial or administrative proceeding  
12 relating to property taxation to which the person who filed the  
13 application is a party;

14 (5) for statistical purposes if in a form that does not  
15 identify specific property or a specific property owner; [~~or~~]

16 (6) if and to the extent the information is required to  
17 be included in a public document or record that the appraisal office  
18 is required to prepare or maintain; or

19 (7) to the State Property Tax Board or an employee of  
20 the board authorized by the board to receive the information.

21 SECTION 2.42. Section 23.52(d), Tax Code, is amended to  
22 read as follows:

23 (d) The State Property Tax Board [~~comptroller~~] by rule shall  
24 develop and distribute to each appraisal office appraisal manuals  
25 setting forth this method of appraising qualified open-space land,  
26 and each appraisal office shall use the appraisal manuals in  
27 appraising qualified open-space land. The board [~~comptroller~~] by

1 rule shall develop and the appraisal office shall enforce  
2 procedures to verify that land meets the conditions contained in  
3 Subdivision (1) of Section 23.51 [~~of this code~~]. The rules, before  
4 taking effect, must be approved by a majority vote of a committee  
5 comprised of the following officials or their designees: the  
6 governor, the comptroller, the attorney general, the agriculture  
7 commissioner, and the Commissioner of the General Land Office.

8 SECTION 2.43. Section 23.521(a), Tax Code, is amended to  
9 read as follows:

10 (a) The Parks and Wildlife Department, with the assistance  
11 of the State Property Tax Board [~~comptroller~~], shall develop  
12 standards for determining whether land qualifies under Section  
13 23.51(7) for appraisal under this subchapter. The board  
14 [~~comptroller~~] by rule shall adopt the standards developed by the  
15 Parks and Wildlife Department and distribute those rules to each  
16 appraisal district. On request of the Parks and Wildlife  
17 Department, the Texas Agricultural Extension Service shall assist  
18 the department in developing the standards.

19 SECTION 2.44. Sections 23.54(b) and (c), Tax Code, are  
20 amended to read as follows:

21 (b) To be valid, the application must:

22 (1) be on a form provided by the appraisal office and  
23 prescribed by the State Property Tax Board [~~comptroller~~]; and

24 (2) contain the information necessary to determine the  
25 validity of the claim.

26 (c) The State Property Tax Board [~~comptroller~~] shall  
27 include on the form a notice of the penalties prescribed by Section

1 37.10, Penal Code, for making or filing an application containing a  
2 false statement. The board [~~comptroller~~], in prescribing the  
3 contents of the application form, shall require that the form  
4 permit a claimant who has previously been allowed appraisal under  
5 this subchapter to indicate that previously reported information  
6 has not changed and to supply only the eligibility information not  
7 previously reported.

8 SECTION 2.45. Section 23.73(b), Tax Code, is amended to  
9 read as follows:

10 (b) The State Property Tax Board [~~comptroller~~] by rule shall  
11 develop and distribute to each appraisal office appraisal manuals  
12 setting forth this method of appraising qualified timber land, and  
13 each appraisal office shall use the appraisal manuals in appraising  
14 qualified timber land. The board [~~comptroller~~] by rule shall  
15 develop and the appraisal office shall enforce procedures to verify  
16 that land meets the conditions contained in Section 23.72 [~~of this~~  
17 ~~code~~]. The rules, before taking effect, must be approved by  
18 majority vote of a committee comprised of the following officials  
19 or their designees: the governor, the comptroller, the attorney  
20 general, the agriculture commissioner, and the Commissioner of the  
21 General Land Office.

22 SECTION 2.46. Sections 23.75(b) and (c), Tax Code, are  
23 amended to read as follows:

24 (b) To be valid, the application must:  
25 (1) be on a form provided by the appraisal office and  
26 prescribed by the State Property Tax Board [~~comptroller~~]; and  
27 (2) contain the information necessary to determine the

1 validity of the claim.

2 (c) The State Property Tax Board [~~comptroller~~] shall include  
3 on the form a notice of the penalties prescribed by Section 37.10,  
4 Penal Code, for making or filing an application containing a false  
5 statement. The board [~~comptroller~~], in prescribing the contents of  
6 the application form, shall require that the form permit a claimant  
7 who has previously been allowed appraisal under this subchapter to  
8 indicate that previously reported information has not changed and to  
9 supply only the eligibility information not previously reported.

10 SECTION 2.47. Section 23.83(e), Tax Code, is amended to  
11 read as follows:

12 (e) The State Property Tax Board [~~comptroller~~] shall  
13 promulgate rules specifying the methods to apply and the procedures  
14 to use in appraising land under this subchapter.

15 SECTION 2.48. Section 23.84(f), Tax Code, is amended to  
16 read as follows:

17 (f) The State Property Tax Board [~~comptroller~~] in  
18 prescribing the contents of the application forms shall ensure that  
19 each form requires a claimant to furnish the information necessary  
20 to determine the validity of the claim and that the form requires  
21 the claimant to state that the land for which he or she claims  
22 appraisal under this subchapter will be used exclusively for  
23 recreational, park, or scenic uses in the current year.

24 SECTION 2.49. Section 23.93(e), Tax Code, is amended to  
25 read as follows:

26 (e) The State Property Tax Board [~~comptroller~~] shall  
27 promulgate rules specifying the methods to apply and the procedures

1 to use in appraising property under this subchapter.

2 SECTION 2.50. Section 23.94(f), Tax Code, is amended to  
3 read as follows:

4 (f) The State Property Tax Board [~~comptroller~~] in  
5 prescribing the contents of the application forms shall ensure that  
6 each form requires a claimant to furnish the information necessary  
7 to determine the validity of the claim and that the form requires  
8 the claimant to state that the airport property for which he or she  
9 claims appraisal under this subchapter will be used exclusively as  
10 public access airport property in the current year.

11 SECTION 2.51. Sections 23.9804(b), (c), and (d), Tax Code,  
12 are amended to read as follows:

13 (b) To be valid, an application for appraisal under Section  
14 23.9802(a) must:

15 (1) be on a form provided by the appraisal office and  
16 prescribed by the State Property Tax Board [~~comptroller~~];

17 (2) provide evidence that the land qualifies for  
18 designation as an aesthetic management zone, critical wildlife  
19 habitat zone, or streamside management zone;

20 (3) specify the location of the proposed zone and the  
21 quantity of land, in acres, in the proposed zone; and

22 (4) contain other information necessary to determine  
23 the validity of the claim.

24 (c) To be valid, an application for appraisal under Section  
25 23.9802(b) must:

26 (1) be on a form provided by the appraisal office and  
27 prescribed by the State Property Tax Board [~~comptroller~~];

1           (2) provide evidence that the land on which the timber  
2 was harvested was appraised under Subchapter E in the year in which  
3 the timber was harvested;

4           (3) provide evidence that all of the land has been  
5 regenerated in compliance with Section 23.9802(b)(2); and

6           (4) contain other information necessary to determine  
7 the validity of the claim.

8           (d) The State Property Tax Board [~~comptroller~~] shall  
9 include on the form a notice of the penalties prescribed by Section  
10 37.10, Penal Code, for making or filing an application containing a  
11 false statement. The board [~~comptroller~~], in prescribing the  
12 contents of the application form, shall require that the form  
13 permit a claimant who has previously been allowed appraisal under  
14 this subchapter to indicate that the previously reported  
15 information has not changed and to supply only the eligibility  
16 information not previously reported.

17           SECTION 2.52. Section 24.32(c), Tax Code, is amended to  
18 read as follows:

19           (c) A report required by this section must be on a form  
20 prescribed by the State Property Tax Board [~~comptroller~~]. In  
21 prescribing the form, the board [~~comptroller~~] shall ensure that it  
22 requires the information necessary to determine market value of  
23 rolling stock used in this state.

24           SECTION 2.53. Section 24.34(b), Tax Code, is amended to  
25 read as follows:

26           (b) The State Property Tax Board [~~comptroller~~] shall adopt  
27 rules establishing formulas for interstate allocation of the value

1 of railroad rolling stock.

2 SECTION 2.54. Section 24.36, Tax Code, is amended to read as  
3 follows:

4 Sec. 24.36. CERTIFICATION TO STATE PROPERTY TAX BOARD  
5 [~~COMPTROLLER~~]. On approval of the appraised value of the rolling  
6 stock as provided by Chapter 41 of this code, the chief appraiser  
7 shall certify to the State Property Tax Board [~~comptroller~~] the  
8 amount of market value allocated to this state for each owner whose  
9 rolling stock is appraised in the county and the name and business  
10 address of each owner.

11 SECTION 2.55. Section 24.365, Tax Code, is amended to read  
12 as follows:

13 Sec. 24.365. CORRECTION OF CERTIFIED AMOUNT. (a) A chief  
14 appraiser who discovers that the chief appraiser's certification to  
15 the State Property Tax Board [~~comptroller~~] of the amount of the  
16 market value of rolling stock allocated to this state under Section  
17 24.36 was incomplete or incorrect shall immediately certify the  
18 correct amount of that market value to the board [~~comptroller~~].

19 (b) As soon as practicable after the State Property Tax  
20 Board [~~comptroller~~] receives the correct certification from the  
21 chief appraiser, the board [~~comptroller~~] shall certify to the  
22 county assessor-collector for each affected county the information  
23 required by Section 24.38 as corrected.

24 SECTION 2.56. Section 24.37, Tax Code, is amended to read as  
25 follows:

26 Sec. 24.37. INTRASTATE APPORTIONMENT. The State Property  
27 Tax Board [~~comptroller~~] shall apportion the appraised value of each

1 owner's rolling stock to each county in which the railroad using it  
2 operates according to the ratio the mileage of road owned by the  
3 railroad in the county bears to the total mileage of road the  
4 railroad owns in this state.

5 SECTION 2.57. Section 24.38, Tax Code, is amended to read as  
6 follows:

7 Sec. 24.38. CERTIFICATION OF APPORTIONED VALUE. Before  
8 July 26, the State Property Tax Board [~~comptroller~~] shall certify  
9 to the county assessor-collector for each county in which a  
10 railroad operates:

11 (1) the county's apportioned amount of the market  
12 value of each owner's rolling stock; and

13 (2) the name and business address of each owner.

14 SECTION 2.58. Section 24.40(a), Tax Code, is amended to  
15 read as follows:

16 (a) If a chief appraiser discovers that rolling stock used  
17 in this state and subject to appraisal by him or her has not been  
18 appraised and apportioned to the counties in one of the two  
19 preceding years, the appraiser [~~he~~] shall appraise the property as  
20 of January 1 for each year it was omitted, submit the appraisal for  
21 review and protest, and certify the approved value to the State  
22 Property Tax Board [~~comptroller~~].

23 SECTION 2.59. Section 25.011(b), Tax Code, is amended to  
24 read as follows:

25 (b) The record for each type of specially appraised property  
26 must be maintained in a separate document for each 12-month period  
27 beginning June 1. The document must include the name of at least



1 one owner of the property, the acreage of the property, and other  
2 information sufficient to identify the property as required by the  
3 State Property Tax Board [~~comptroller~~]. All entries in each  
4 document must be kept in alphabetical order according to the last  
5 name of each owner whose name is part of the record.

6 SECTION 2.60. Section 25.02(a), Tax Code, is amended to  
7 read as follows:

8 (a) The appraisal records shall be in the form prescribed by  
9 the State Property Tax Board [~~comptroller~~] and shall include:

10 (1) the name and address of the owner or, if the name  
11 or address is unknown, a statement that it is unknown;

12 (2) real property;

13 (3) separately taxable estates or interests in real  
14 property, including taxable possessory interests in exempt real  
15 property;

16 (4) personal property;

17 (5) the appraised value of land and, if the land is  
18 appraised as provided by Subchapter C, D, E, or H, Chapter 23, the  
19 market value of the land;

20 (6) the appraised value of improvements to land;

21 (7) the appraised value of a separately taxable estate  
22 or interest in land;

23 (8) the appraised value of personal property;

24 (9) the kind of any partial exemption the owner is  
25 entitled to receive, whether the exemption applies to appraised or  
26 assessed value, and, in the case of an exemption authorized by  
27 Section 11.23, the amount of the exemption;

- 1 (10) the tax year to which the appraisal applies; and  
2 (11) an identification of each taxing unit in which  
3 the property is taxable.

4 SECTION 2.61. Section 25.025(b), Tax Code, is amended to  
5 read as follows:

6 (b) Information in appraisal records under Section 25.02 is  
7 confidential and is available only for the official use of the  
8 appraisal district, this state, the State Property Tax Board  
9 ~~[comptroller]~~, and taxing units and political subdivisions of this  
10 state if:

11 (1) the information identifies the home address of a  
12 named individual to whom this section applies; and

13 (2) the individual chooses to restrict public access  
14 to the information on the form prescribed for that purpose by the  
15 board ~~[comptroller]~~ under Section 5.07.

16 SECTION 2.62. Section 25.026(b), Tax Code, is amended to  
17 read as follows:

18 (b) Information in appraisal records under Section 25.02 is  
19 confidential and is available only for the official use of the  
20 appraisal district, this state, the State Property Tax Board  
21 ~~[comptroller]~~, and taxing units and political subdivisions of this  
22 state if the information identifies the address of a family  
23 violence shelter center, a sexual assault program, or a victims of  
24 trafficking shelter center.

25 SECTION 2.63. Section 25.03(b), Tax Code, is amended to  
26 read as follows:

27 (b) The State Property Tax Board ~~[comptroller]~~ may adopt

1 rules establishing minimum standards for descriptions of property.

2 SECTION 2.64. Sections 25.19(i) and (j), Tax Code, are  
3 amended to read as follows:

4 (i) Delivery with a notice required by Subsection (a) or (g)  
5 of a copy of the pamphlet published by the State Property Tax Board  
6 [~~comptroller~~] under Section 5.06 or a copy of the notice published  
7 by the chief appraiser under Section 41.70 is sufficient to comply  
8 with the requirement that the notice include the information  
9 specified by Subsection (b)(7) or (g)(3), as applicable.

10 (j) The chief appraiser shall include with a notice required  
11 by Subsection (a) or (g):

12 (1) a copy of a notice of protest form as prescribed by  
13 the State Property Tax Board [~~comptroller~~] under Section 41.44(d);  
14 and

15 (2) instructions for completing and mailing the form  
16 to the appraisal review board and requesting a hearing on the  
17 protest.

18 SECTION 2.65. Section 25.23(b), Tax Code, is amended to  
19 read as follows:

20 (b) Supplemental appraisal records shall be in the form  
21 prescribed by the State Property Tax Board [~~comptroller~~] and shall  
22 include the items required by Section 25.02 [~~of this code~~].

23 SECTION 2.66. Section 26.01(b), Tax Code, is amended to  
24 read as follows:

25 (b) When a chief appraiser submits an appraisal roll for  
26 county taxes to a county assessor-collector, the chief appraiser  
27 also shall certify the appraisal district appraisal roll to the

1 State Property Tax Board [~~comptroller~~]. However, the board  
2 [~~comptroller~~] by rule may provide for submission of only a summary  
3 of the appraisal roll. The chief appraiser shall certify the  
4 district appraisal roll or the summary of that roll in the form and  
5 manner prescribed by the board's [~~comptroller's~~] rule.

6 SECTION 2.67. Section 26.04(e), Tax Code, is amended to  
7 read as follows:

8 (e) By August 7 or as soon thereafter as practicable, the  
9 designated officer or employee shall submit the rates to the  
10 governing body. The officer or employee [~~He~~] shall deliver by mail  
11 to each property owner in the unit or publish in a newspaper in the  
12 form prescribed by the State Property Tax Board [~~comptroller~~]:

13 (1) the effective tax rate, the rollback tax rate, and  
14 an explanation of how they were calculated;

15 (2) the estimated amount of interest and sinking fund  
16 balances and the estimated amount of maintenance and operation or  
17 general fund balances remaining at the end of the current fiscal  
18 year that are not encumbered with or by corresponding existing debt  
19 obligation;

20 (3) a schedule of the unit's debt obligations showing:

21 (A) the amount of principal and interest that  
22 will be paid to service the unit's debts in the next year from  
23 property tax revenue, including payments of lawfully incurred  
24 contractual obligations providing security for the payment of the  
25 principal of and interest on bonds and other evidences of  
26 indebtedness issued on behalf of the unit by another political  
27 subdivision and, if the unit is created under Section 52, Article

1 III, or Section 59, Article XVI, Texas Constitution, payments on  
2 debts that the unit anticipates to incur in the next calendar year;

3 (B) the amount by which taxes imposed for debt  
4 are to be increased because of the unit's anticipated collection  
5 rate; and

6 (C) the total of the amounts listed in Paragraphs  
7 (A)-(B), less any amount collected in excess of the previous year's  
8 anticipated collections certified as provided in Subsection (b);

9 (4) the amount of additional sales and use tax revenue  
10 anticipated in calculations under Section 26.041;

11 (5) a statement that the adoption of a tax rate equal  
12 to the effective tax rate would result in an increase or decrease,  
13 as applicable, in the amount of taxes imposed by the unit as  
14 compared to last year's levy, and the amount of the increase or  
15 decrease;

16 (6) in the year that a taxing unit calculates an  
17 adjustment under Subsection (i) or (j), a schedule that includes  
18 the following elements:

19 (A) the name of the unit discontinuing the  
20 department, function, or activity;

21 (B) the amount of property tax revenue spent by  
22 the unit listed under Paragraph (A) to operate the discontinued  
23 department, function, or activity in the 12 months preceding the  
24 month in which the calculations required by this chapter are made;  
25 and

26 (C) the name of the unit that operates a distinct  
27 department, function, or activity in all or a majority of the

1 territory of a taxing unit that has discontinued operating the  
2 distinct department, function, or activity; and

3 (7) in the year following the year in which a taxing  
4 unit raised its rollback rate as required by Subsection (j), a  
5 schedule that includes the following elements:

6 (A) the amount of property tax revenue spent by  
7 the unit to operate the department, function, or activity for which  
8 the taxing unit raised the rollback rate as required by Subsection  
9 (j) for the 12 months preceding the month in which the calculations  
10 required by this chapter are made; and

11 (B) the amount published by the unit in the  
12 preceding tax year under Subdivision (6)(B).

13 SECTION 2.68. Section 26.16(e), Tax Code, is amended to  
14 read as follows:

15 (e) The State Property Tax Board [~~comptroller~~] by rule shall  
16 prescribe the manner in which the information described by this  
17 section is required to be presented.

18 SECTION 2.69. Section 31.075(a), Tax Code, is amended to  
19 read as follows:

20 (a) At the request of a property owner or a property owner's  
21 agent, the collector for a taxing unit shall issue a receipt showing  
22 the taxable value and the amount of tax imposed by the unit on the  
23 property in one or more tax years for which the information is  
24 requested, the tax rate for each of those tax years, and the amount  
25 of tax paid in each of those years. The receipt must describe the  
26 property in the manner prescribed by the State Property Tax Board  
27 [~~comptroller~~]. If the amount of the tax for the current year has

1 not been calculated when the request is made, the collector shall on  
2 request issue to the property owner or agent a statement indicating  
3 that taxes for the current year have not been calculated.

4 SECTION 2.70. Section 31.11(c), Tax Code, is amended to  
5 read as follows:

6 (c) Except as provided by Subsection (c-1), an application  
7 for a refund must be made within three years after the date of the  
8 payment or the taxpayer waives the right to the refund. A taxpayer  
9 may apply for a refund by filing:

10 (1) an application on a form prescribed by the State  
11 Property Tax Board [~~comptroller~~] by rule; or

12 (2) a written request that includes information  
13 sufficient to enable the collector and the auditor for the taxing  
14 unit and, if applicable, the governing body of the taxing unit to  
15 determine whether the taxpayer is entitled to the refund.

16 SECTION 2.71. Section 33.43(e), Tax Code, is amended to  
17 read as follows:

18 (e) The State Property Tax Board [~~comptroller~~] shall  
19 prepare forms for petitions initiating suits to collect delinquent  
20 taxes. An attorney representing a taxing unit may use the forms or  
21 develop his or her own form.

22 SECTION 2.72. Section 41.44(d), Tax Code, is amended to  
23 read as follows:

24 (d) A notice of protest is sufficient if it identifies the  
25 protesting property owner, including a person claiming an ownership  
26 interest in the property even if that person is not listed on the  
27 appraisal records as an owner of the property, identifies the

1 property that is the subject of the protest, and indicates apparent  
2 dissatisfaction with some determination of the appraisal office.  
3 The notice need not be on an official form, but the State Property  
4 Tax Board [~~comptroller~~] shall prescribe a form that provides for  
5 more detail about the nature of the protest. The form must permit a  
6 property owner to include each property in the appraisal district  
7 that is the subject of a protest. The State Property Tax Board  
8 [~~comptroller~~], each appraisal office, and each appraisal review  
9 board shall make the forms readily available and deliver one to a  
10 property owner on request.

11 SECTION 2.73. Sections 41.45(k) and (l), Tax Code, are  
12 amended to read as follows:

13 (k) The State Property Tax Board [~~comptroller~~] shall  
14 prescribe a standard form for an affidavit offered under Subsection  
15 (b). Each appraisal district shall make copies of the affidavit  
16 form available to property owners without charge.

17 (l) A property owner is not required to use the affidavit  
18 form prescribed by the State Property Tax Board [~~comptroller~~] when  
19 offering an affidavit under Subsection (b).

20 SECTION 2.74. Section 41.461(a), Tax Code, is amended to  
21 read as follows:

22 (a) At least 14 days before a hearing on a protest, the chief  
23 appraiser shall:

24 (1) deliver a copy of the pamphlet prepared by the  
25 State Property Tax Board [~~comptroller~~] under Section 5.06 [~~5.06(a)~~]  
26 to the property owner initiating the protest if the owner is  
27 representing himself or herself, or to an agent representing the



1 owner if requested by the agent;

2 (2) inform the property owner that the owner or the  
3 agent of the owner may inspect and may obtain a copy of the data,  
4 schedules, formulas, and all other information the chief appraiser  
5 plans to introduce at the hearing to establish any matter at issue;  
6 and

7 (3) deliver a copy of the hearing procedures  
8 established by the appraisal review board under Section 41.66 to  
9 the property owner.

10 SECTION 2.75. Section 41.65, Tax Code, is amended to read as  
11 follows:

12 Sec. 41.65. REQUEST FOR STATE ASSISTANCE. The appraisal  
13 review board may request the State Property Tax Board [~~comptroller~~]  
14 to assist in determining the accuracy of appraisals by the  
15 appraisal office or to provide other professional assistance. The  
16 appraisal office shall reimburse the costs of providing assistance  
17 if the board [~~comptroller~~] requests reimbursement.

18 SECTION 2.76. Section 41.66(a), Tax Code, is amended to  
19 read as follows:

20 (a) The appraisal review board shall establish by rule the  
21 procedures for hearings it conducts as provided by Subchapters A  
22 and C of this chapter. On request made by a property owner in the  
23 owner's notice of protest or in a separate writing delivered to the  
24 appraisal review board on or before the date the notice of protest  
25 is filed, the property owner is entitled to a copy of the hearing  
26 procedures. The copy of the hearing procedures shall be delivered  
27 to the property owner not later than the 10th day before the date

1 the hearing on the protest begins and may be delivered with the  
2 notice of the protest hearing required under Section 41.46(a). The  
3 notice of protest form prescribed by the State Property Tax Board  
4 [~~comptroller~~] under Section 41.44(d) or any other notice of protest  
5 form made available to a property owner by the appraisal review  
6 board or the appraisal office shall provide the property owner an  
7 opportunity to make or decline to make a request under this  
8 subsection. The appraisal review board shall post a copy of the  
9 hearing procedures in a prominent place in the room in which the  
10 hearing is held.

11 SECTION 2.77. Section 41.68, Tax Code, is amended to read as  
12 follows:

13 Sec. 41.68. RECORD OF PROCEEDING. The appraisal review  
14 board shall keep a record of its proceedings in the form and manner  
15 prescribed by the State Property Tax Board [~~comptroller~~].

16 SECTION 2.78. Section 41.70(a), Tax Code, is amended to  
17 read as follows:

18 (a) On or after May 1 but not later than May 15, the chief  
19 appraiser shall publish notice of the manner in which a protest  
20 under this chapter may be brought by a property owner. The notice  
21 must describe how to initiate a protest and must describe the  
22 deadlines for filing a protest. The notice must also describe the  
23 manner in which an order of the appraisal review board may be  
24 appealed. The State Property Tax Board [~~comptroller~~] by rule shall  
25 adopt minimum standards for the form and content of the notice  
26 required by this section.

27 SECTION 2.79. Section 41A.03(a), Tax Code, is amended to

1 read as follows:

2 (a) To appeal an appraisal review board order under this  
3 chapter, a property owner must file with the appraisal district not  
4 later than the 45th day after the date the property owner receives  
5 notice of the order:

6 (1) a completed request for binding arbitration under  
7 this chapter in the form prescribed by Section 41A.04; and

8 (2) an arbitration deposit made payable to the State  
9 Property Tax Board [~~comptroller~~] in the amount of \$500.

10 SECTION 2.80. Section 41A.04, Tax Code, is amended to read  
11 as follows:

12 Sec. 41A.04. CONTENTS OF REQUEST FORM. The State Property  
13 Tax Board [~~comptroller~~] by rule shall prescribe the form of a  
14 request for binding arbitration under this chapter. The form must  
15 require the property owner to provide only:

16 (1) a brief statement that explains the basis for the  
17 property owner's appeal of the appraisal review board order;

18 (2) a statement of the property owner's opinion of the  
19 appraised or market value, as applicable, of the property that is  
20 the subject of the appeal; and

21 (3) any other information reasonably necessary for the  
22 appraisal district to request appointment of an arbitrator.

23 SECTION 2.81. Section 41A.05, Tax Code, is amended to read  
24 as follows:

25 Sec. 41A.05. PROCESSING OF REGISTRATION REQUEST. (a) Not  
26 later than the 10th day after the date an appraisal district  
27 receives from a property owner a completed request for binding

1 arbitration under this chapter and an arbitration deposit as  
2 required by Section 41A.03, the appraisal district shall:

- 3 (1) certify the request;
- 4 (2) submit the request and deposit to the State  
5 Property Tax Board [~~comptroller~~]; and
- 6 (3) request the State Property Tax Board [~~comptroller~~]  
7 to appoint a qualified arbitrator to conduct the arbitration.

8 (b) The State Property Tax Board [~~comptroller~~] may retain an  
9 amount equal to 10 percent of the deposit to cover the board's  
10 [~~comptroller's~~] administrative costs.

11 SECTION 2.82. Sections 41A.06(a) and (c), Tax Code, are  
12 amended to read as follows:

13 (a) The State Property Tax Board [~~comptroller~~] shall  
14 maintain a registry listing the qualified persons who have agreed  
15 to serve as arbitrators under this chapter.

16 (c) An arbitrator must complete a training program on  
17 property tax law before conducting a hearing on an arbitration  
18 relating to the appeal of an appraisal review board order  
19 determining a protest filed under Section 41.41(a)(2). The  
20 training program must:

- 21 (1) emphasize the requirements regarding the equal and  
22 uniform appraisal of property;
- 23 (2) be at least four hours in length; and
- 24 (3) be approved by the State Property Tax Board  
25 [~~comptroller~~].

26 SECTION 2.83. Section 41A.061, Tax Code, is amended to read  
27 as follows:

1           Sec. 41A.061. CONTINUED QUALIFICATION OF ARBITRATOR;  
2 RENEWAL OF AGREEMENT. (a) The State Property Tax Board  
3 [~~comptroller~~] shall include a qualified arbitrator in the registry  
4 until the second anniversary of the date the person was added to the  
5 registry. To continue to be included in the registry after the  
6 second anniversary of the date the person was added to the registry,  
7 the person must renew the person's agreement with the board  
8 [~~comptroller~~] to serve as an arbitrator on or as near as possible to  
9 the date on which the person's license or certification issued  
10 under Chapter 901, 1101, or 1103, Occupations Code, is renewed.

11           (b) To renew the person's agreement to serve as an  
12 arbitrator, the person must:

13                 (1) file a renewal application with the State Property  
14 Tax Board [~~comptroller~~] at the time and in the manner prescribed by  
15 the board [~~comptroller~~];

16                 (2) continue to meet the requirements provided by  
17 Section 41A.06(b); and

18                 (3) during the preceding two years have completed at  
19 least eight hours of continuing education in arbitration and  
20 alternative dispute resolution procedures offered by a university,  
21 college, real estate trade association, or legal association.

22           (c) The State Property Tax Board [~~comptroller~~] shall remove  
23 a person from the registry if the person fails or declines to renew  
24 the person's agreement to serve as an arbitrator in the manner  
25 required by this section.

26           SECTION 2.84. Section 41A.07, Tax Code, is amended to read  
27 as follows:

1           Sec. 41A.07. APPOINTMENT OF ARBITRATOR. (a) On receipt of  
2 the request and deposit under Section 41A.05, the State Property  
3 Tax Board [~~comptroller~~] shall send the property owner and the  
4 appraisal district a copy of the board's [~~comptroller's~~] registry  
5 of qualified arbitrators and request that the parties select an  
6 arbitrator from the registry. The board [~~comptroller~~] may send a  
7 copy of the registry to the parties by regular mail in paper form or  
8 may send the parties written notice of the Internet address of a  
9 website at which the registry is maintained and may be accessed.  
10 The parties shall attempt to select an arbitrator from the  
11 registry.

12           (b) Not later than the 20th day after the date the parties  
13 receive the copy of the registry or notice of the Internet address  
14 of the registry website, the appraisal district shall notify the  
15 State Property Tax Board [~~comptroller~~] that:

16                   (1) the parties have selected an arbitrator and  
17 request that the board [~~comptroller~~] appoint the selected  
18 arbitrator; or

19                   (2) the parties were unable to select an arbitrator  
20 and request the board [~~comptroller~~] to appoint an arbitrator.

21           (c) On receipt of notice from the appraisal district under  
22 Subsection (b), the State Property Tax Board [~~comptroller~~] shall:

23                   (1) appoint:

24                           (A) the arbitrator selected under Subsection  
25 (b)(1), if applicable; or

26                           (B) any arbitrator included in the board's  
27 [~~comptroller's~~] registry, if Subsection (b)(2) applies; and

1           (2) send notice to the arbitrator appointed,  
2 requesting that the arbitrator conduct the arbitration.

3           (d) If the arbitrator appointed is unable or unwilling to  
4 conduct the arbitration for any reason, the arbitrator shall  
5 promptly notify the State Property Tax Board [~~comptroller~~] that the  
6 arbitrator does not accept the appointment and state the reason.  
7 The board [~~comptroller~~] shall appoint a substitute arbitrator  
8 promptly after receipt of the notice.

9           SECTION 2.85. Sections 41A.09(a), (c), (d), and (e), Tax  
10 Code, are amended to read as follows:

11           (a) Not later than the 20th day after the date the hearing  
12 under Section 41A.08 is concluded, the arbitrator shall make an  
13 arbitration award and deliver a copy of the award to the property  
14 owner, appraisal district, and State Property Tax Board  
15 [~~comptroller~~].

16           (c) If the arbitrator determines that the appraised or  
17 market value, as applicable, of the property that is the subject of  
18 the appeal is nearer to the property owner's opinion of the  
19 appraised or market value, as applicable, of the property as stated  
20 in the request for binding arbitration submitted under Section  
21 41A.03 than the value determined by the appraisal review board:

22           (1) the State Property Tax Board [~~comptroller~~], on  
23 receipt of a copy of the award, shall refund the property owner's  
24 arbitration deposit, less the amount retained by the board  
25 [~~comptroller~~] under Section 41A.05(b);

26           (2) the appraisal district, on receipt of a copy of the  
27 award, shall pay the arbitrator's fee; and

1           (3) the chief appraiser shall correct the appraised or  
2 market value, as applicable, of the property as shown in the  
3 appraisal roll to reflect the arbitrator's determination.

4           (d) If the arbitrator determines that the appraised or  
5 market value, as applicable, of the property that is the subject of  
6 the appeal is not nearer to the property owner's opinion of the  
7 appraised or market value, as applicable, of the property as stated  
8 in the request for binding arbitration submitted under Section  
9 [41A.03](#) than the value determined by the appraisal review board:

10           (1) the State Property Tax Board [~~comptroller~~], on  
11 receipt of a copy of the award, shall:

12                   (A) pay the arbitrator's fee out of the owner's  
13 arbitration deposit; and

14                   (B) refund to the owner the owner's arbitration  
15 deposit, less the arbitrator's fee and the amount retained by the  
16 board [~~comptroller~~] under Section [41A.05](#)(b); and

17           (2) the chief appraiser shall correct the appraised or  
18 market value, as applicable, of the property as shown in the  
19 appraisal roll to reflect the arbitrator's determination if the  
20 value as determined by the arbitrator is less than the value as  
21 determined by the appraisal review board.

22           (e) The State Property Tax Board [~~comptroller~~] by rule may  
23 prescribe a standard form for an award and may require arbitrators  
24 to use the award form when making awards under this chapter.

25           SECTION 2.86. Section [41A.10](#)(b), Tax Code, is amended to  
26 read as follows:

27           (b) A property owner may not file an appeal under this



1 chapter if the taxes on the property subject to the appeal are  
2 delinquent. An arbitrator who determines that the taxes on the  
3 property subject to an appeal are delinquent shall dismiss the  
4 pending appeal with prejudice. If an appeal is dismissed under this  
5 subsection, the State Property Tax Board [~~comptroller~~] shall refund  
6 the property owner's arbitration deposit, less the amount retained  
7 by the board [~~comptroller~~] under Section 41A.05(b).

8 SECTION 2.87. Section 41A.12, Tax Code, is amended to read  
9 as follows:

10 Sec. 41A.12. USE OF PROPERTIES AS SAMPLES. An arbitrator's  
11 determination of market value under this chapter is the market  
12 value of the property subject to the appeal for the purposes of the  
13 study conducted under Section 5.23 [~~403.302, Government Code~~].

14 SECTION 2.88. Section 41A.13, Tax Code, is amended to read  
15 as follows:

16 Sec. 41A.13. RULES. The State Property Tax Board  
17 [~~comptroller~~] may adopt rules necessary to implement and administer  
18 this chapter.

19 SECTION 2.89. Section 42.01(a), Tax Code, is amended to  
20 read as follows:

- 21 (a) A property owner is entitled to appeal:
- 22 (1) an order of the appraisal review board  
23 determining:
- 24 (A) a protest by the property owner as provided  
25 by Subchapter C of Chapter 41;
- 26 (B) a determination of an appraisal review board  
27 on a motion filed under Section 25.25;

1 (C) a determination of an appraisal review board  
2 that the property owner has forfeited the right to a final  
3 determination of a motion filed under Section 25.25 or of a protest  
4 under Section 41.411 for failing to comply with the prepayment  
5 requirements of Section 25.26 or 41.4115, as applicable; or

6 (D) a determination of an appraisal review board  
7 of eligibility for a refund requested under Section 23.1243; or

8 (2) an order of the State Property Tax Board  
9 [~~comptroller~~] issued as provided by Subchapter B, Chapter 24,  
10 apportioning among the counties the appraised value of railroad  
11 rolling stock owned by the property owner.

12 SECTION 2.90. Section 42.03, Tax Code, is amended to read as  
13 follows:

14 Sec. 42.03. RIGHT OF APPEAL BY COUNTY. A county may appeal  
15 the order of the State Property Tax Board [~~comptroller~~] issued as  
16 provided by Subchapter B, Chapter 24 of this code apportioning  
17 among the counties the appraised value of railroad rolling stock.

18 SECTION 2.91. Section 42.05, Tax Code, is amended to read as  
19 follows:

20 Sec. 42.05. STATE PROPERTY TAX BOARD [~~COMPTROLLER~~] AS  
21 PARTY. The State Property Tax Board [~~comptroller~~] is an opposing  
22 party in an appeal by:

23 (1) a property owner of an order of the board  
24 [~~comptroller~~] determining a protest of the appraisal, interstate  
25 allocation, or intrastate apportionment of transportation business  
26 intangibles; or

27 (2) a county or a property owner of an order of the

1 board [~~comptroller~~] apportioning among the counties the appraised  
2 value of railroad rolling stock.

3 SECTION 2.92. Sections 42.06(a), (b), and (c), Tax Code,  
4 are amended to read as follows:

5 (a) To exercise the party's right to appeal an order of an  
6 appraisal review board, a party other than a property owner must  
7 file written notice of appeal within 15 days after the date the  
8 party receives the notice required by Section 41.47 or, in the case  
9 of a taxing unit, by Section 41.07 that the order appealed has been  
10 issued. To exercise the right to appeal an order of the State  
11 Property Tax Board [~~comptroller~~], a party other than a property  
12 owner must file written notice of appeal within 15 days after the  
13 date the party receives the board's [~~comptroller's~~] order. A  
14 property owner is not required to file a notice of appeal under this  
15 section.

16 (b) A party required to file a notice of appeal under this  
17 section other than a chief appraiser who appeals an order of an  
18 appraisal review board shall file the notice with the chief  
19 appraiser of the appraisal district for which the appraisal review  
20 board is established. A chief appraiser who appeals an order of an  
21 appraisal review board shall file the notice with the appraisal  
22 review board. A party who appeals an order of the State Property  
23 Tax Board [~~comptroller~~] shall file the notice with that board [~~the~~  
24 ~~comptroller~~].

25 (c) If the chief appraiser, a taxing unit, or a county  
26 appeals, the chief appraiser, if the appeal is of an order of the  
27 appraisal review board, or the State Property Tax Board

1 ~~[comptroller]~~, if the appeal is of an order of the State Property  
2 Tax Board ~~[comptroller]~~, shall deliver a copy of the notice to the  
3 property owner whose property is involved in the appeal within 10  
4 days after the date the notice is filed.

5 SECTION 2.93. Section 42.21(b), Tax Code, is amended to  
6 read as follows:

7 (b) A petition for review brought under Section 42.02 must  
8 be brought against the owner of the property involved in the appeal.  
9 A petition for review brought under Section 42.031 must be brought  
10 against the appraisal district and against the owner of the  
11 property involved in the appeal. A petition for review brought  
12 under Section 42.01(a)(2) or 42.03 must be brought against the  
13 State Property Tax Board ~~[comptroller]~~. Any other petition for  
14 review under this chapter must be brought against the appraisal  
15 district. A petition for review may not be brought against the  
16 appraisal review board. An appraisal district may hire an attorney  
17 that represents the district to represent the appraisal review  
18 board established for the district to file an answer and obtain a  
19 dismissal of a suit filed against the appraisal review board in  
20 violation of this subsection.

21 SECTION 2.94. Section 42.22, Tax Code, as amended by  
22 Chapters 667 (S.B. 548) and 1033 (H.B. 301), Acts of the 73rd  
23 Legislature, Regular Session, 1993, is reenacted and amended to  
24 read as follows:

25 Sec. 42.22. VENUE. Venue is in the county in which the  
26 appraisal review board that issued the order appealed is located,  
27 except as provided by Section 42.221. Venue is in Travis County if

1 the order appealed was issued by the State Property Tax Board  
2 [~~comptroller~~].

3 SECTION 2.95. Section 42.23(b), Tax Code, is amended to  
4 read as follows:

5 (b) The court may not admit in evidence the fact of prior  
6 action by the appraisal review board or State Property Tax Board  
7 [~~comptroller~~], except to the extent necessary to establish its  
8 jurisdiction.

9 SECTION 2.96. Section 42.26(c), Tax Code, is amended to  
10 read as follows:

11 (c) For purposes of establishing the median level of  
12 appraisal under Subsection (a)(1), the median level of appraisal in  
13 the appraisal district as determined by the State Property Tax  
14 Board [~~comptroller~~] under Section 5.10 is admissible as evidence of  
15 the median level of appraisal of a reasonable and representative  
16 sample of properties in the appraisal district for the year of the  
17 board's [~~comptroller's~~] determination, subject to the Texas Rules  
18 of Evidence and the Texas Rules of Civil Procedure.

19 SECTION 2.97. Section 42.28, Tax Code, is amended to read as  
20 follows:

21 Sec. 42.28. APPEAL OF DISTRICT COURT JUDGMENT. A party may  
22 appeal the final judgment of the district court as provided by law  
23 for appeal of civil suits generally, except that an appeal bond is  
24 not required of the chief appraiser, the county, the State Property  
25 Tax Board [~~comptroller~~], or the commissioners court.

26 SECTION 2.98. Sections 42.43(g) and (i), Tax Code, are  
27 amended to read as follows:

1 (g) If a form prescribed by the State Property Tax Board  
2 [~~comptroller~~] under Subsection (i) is filed with a taxing unit  
3 before the 21st day after the final determination of an appeal that  
4 requires a refund be made, the taxing unit shall send the refund to  
5 the person and address designated on the form.

6 (i) The State Property Tax Board [~~comptroller~~] shall  
7 prescribe the form necessary to allow a property owner to designate  
8 the person to whom a refund must be sent. The board [~~comptroller~~]  
9 shall include on the form a space for the property owner to  
10 designate to whom and where the refund must be sent and provide  
11 options to mail the refund to:

- 12 (1) the property owner;
- 13 (2) the business office of the property owner's  
14 attorney of record in the appeal; or
- 15 (3) any other individual and address designated by the  
16 property owner.

17 SECTION 2.99. Section 43.01, Tax Code, is amended to read as  
18 follows:

19 Sec. 43.01. AUTHORITY TO BRING SUIT. A taxing unit may sue  
20 the appraisal district that appraises property for the unit to  
21 compel the appraisal district to comply with the provisions of this  
22 title, rules of the State Property Tax Board [~~comptroller~~], or  
23 other applicable law.

24 SECTION 2.100. Section 111.00455(b), Tax Code, is amended  
25 to read as follows:

26 (b) The following are not contested cases under Subsection  
27 (a) and Section 2003.101, Government Code:

1           (1) a show cause hearing or any hearing not related to  
2 the collection, receipt, administration, or enforcement of the  
3 amount of a tax or fee imposed, or the penalty or interest  
4 associated with that amount, except for a hearing under Section  
5 151.157(f), 151.1575(c), 151.712(g), 154.1142, or 155.0592;

6           (2) a property value study hearing under Subchapter B  
7 ~~[M]~~, Chapter 5 ~~[403, Government Code]~~;

8           (3) a hearing in which the issue relates to:

- 9                   (A) Chapters 72-75, Property Code;  
10                   (B) forfeiture of a right to do business;  
11                   (C) a certificate of authority;  
12                   (D) articles of incorporation;  
13                   (E) a penalty imposed under Section 151.703(d);  
14                   (F) the refusal or failure to settle under  
15 Section 111.101; or  
16                   (G) a request for or revocation of an exemption  
17 from taxation; and

18           (4) any other hearing not related to the collection,  
19 receipt, administration, or enforcement of the amount of a tax or  
20 fee imposed, or the penalty or interest associated with that  
21 amount.

22           SECTION 2.101. Section 111.0081(c), Tax Code, is amended to  
23 read as follows:

24           (c) The amount of a determination made under this code is  
25 due and payable 20 days after a ~~[comptroller's]~~ decision of the  
26 comptroller or the State Property Tax Board, as applicable, in a  
27 redetermination hearing becomes final. If the amount of the

1 determination is not paid within 20 days after the day the decision  
2 became final, a penalty of 10 percent of the amount of the  
3 determination, exclusive of penalties and interest, shall be added.

4 SECTION 2.102. Section [111.009](#), Tax Code, is amended by  
5 amending Subsections (a) and (d) and adding Subsection (a-1) to  
6 read as follows:

7 (a) Except as provided by Subsection (a-1), a [A] person  
8 having a direct interest in a determination may petition the  
9 comptroller for a redetermination.

10 (a-1) A person having a direct interest in a determination  
11 under Section [313.0276](#) may petition the State Property Tax Board  
12 for a redetermination.

13 (d) An order or decision of the comptroller or State  
14 Property Tax Board, as applicable, on a petition for  
15 redetermination becomes final 20 days after service on the  
16 petitioner of the notice of the order or decision.

17 SECTION 2.103. Section [311.011](#)(h), Tax Code, is amended to  
18 read as follows:

19 (h) Unless specifically provided otherwise in the plan, all  
20 amounts contained in the project plan or reinvestment zone  
21 financing plan, including amounts of expenditures relating to  
22 project costs and amounts relating to participation by taxing  
23 units, are considered estimates and do not act as a limitation on  
24 the described items, but the amounts contained in the project plan  
25 or reinvestment zone financing plan may not vary materially from  
26 the estimates. This subsection may not be construed to increase the  
27 amount of any reduction under Section [5.23\(d\)\(4\)](#) [~~[403.302\(d\)\(4\)](#)~~],



1 ~~Government Code,~~] in the total taxable value of the property in a  
2 school district that participates in the zone as computed under  
3 Section 5.23(d) [~~403.302(d) of that code~~].

4 SECTION 2.104. Section 311.013(n), Tax Code, is amended to  
5 read as follows:

6 (n) This subsection applies only to a school district whose  
7 taxable value computed under Section 5.23(d) [~~403.302(d),~~  
8 ~~Government Code,~~] is reduced in accordance with Subdivision (4) of  
9 that subsection. In addition to the amount otherwise required to be  
10 paid into the tax increment fund, the district shall pay into the  
11 fund an amount equal to the amount by which the amount of taxes the  
12 district would have been required to pay into the fund in the  
13 current year if the district levied taxes at the rate the district  
14 levied in 2005 exceeds the amount the district is otherwise  
15 required to pay into the fund in the year of the reduction. This  
16 additional amount may not exceed the amount the school district  
17 receives in state aid for the current tax year under Section  
18 42.2514, Education Code. The school district shall pay the  
19 additional amount after the district receives the state aid to  
20 which the district is entitled for the current tax year under  
21 Section 42.2514, Education Code.

22 SECTION 2.105. Section 311.016(b), Tax Code, is amended to  
23 read as follows:

24 (b) The municipality or county shall send a copy of a report  
25 made under this section to the State Property Tax Board  
26 [~~comptroller~~].

27 SECTION 2.106. Section 311.0163(a), Tax Code, is amended to

1 read as follows:

2 (a) Not later than December 31 of each even-numbered year,  
3 the State Property Tax Board [~~comptroller~~] shall submit a report to  
4 the legislature and to the governor on reinvestment zones  
5 designated under this chapter and on project plans and reinvestment  
6 zone financing plans adopted under this chapter.

7 SECTION 2.107. Section 311.019, Tax Code, is amended to  
8 read as follows:

9 Sec. 311.019. CENTRAL REGISTRY. (a) The State Property  
10 Tax Board [~~comptroller~~] shall maintain a central registry of:

- 11 (1) reinvestment zones designated under this chapter;  
12 (2) project plans and reinvestment zone financing  
13 plans adopted under this chapter; and  
14 (3) annual reports submitted under Section 311.016.

15 (b) A municipality or county that designates a reinvestment  
16 zone or approves a project plan or reinvestment zone financing plan  
17 under this chapter shall deliver to the State Property Tax Board  
18 [~~comptroller~~] before April 1 of the year following the year in which  
19 the zone is designated or the plan is approved a report containing:

- 20 (1) a general description of each zone, including:  
21 (A) the size of the zone;  
22 (B) the types of property located in the zone;  
23 (C) the duration of the zone; and  
24 (D) the guidelines and criteria established for  
25 the zone under Section 311.005;  
26 (2) a copy of each project plan or reinvestment zone  
27 financing plan adopted; and

1           (3) any other information required by the board  
2 [~~comptroller~~] to administer this section [~~and Subchapter F, Chapter~~  
3 ~~111~~].

4           (c) A municipality or county that amends or modifies a  
5 project plan or reinvestment zone financing plan adopted under this  
6 chapter shall deliver a copy of the amendment or modification to the  
7 State Property Tax Board [~~comptroller~~] before April 1 of the year  
8 following the year in which the plan was amended or modified.

9           SECTION 2.108. Section 311.020, Tax Code, is amended to  
10 read as follows:

11           Sec. 311.020. STATE ASSISTANCE. (a) On request of the  
12 governing body of a municipality or county or of the presiding  
13 officer of the governing body, the State Property Tax Board  
14 [~~comptroller~~] may provide assistance to a municipality or county  
15 relating to the administration of this chapter.

16           (b) The economic development and tourism division of the  
17 governor's office [~~Texas Department of Economic Development~~] and  
18 the State Property Tax Board [~~comptroller~~] may provide technical  
19 assistance to a municipality or county regarding:

20           (1) the designation of reinvestment zones under this  
21 chapter; and

22           (2) the adoption and execution of project plans or  
23 reinvestment zone financing plans under this chapter.

24           SECTION 2.109. Section 312.005, Tax Code, is amended to  
25 read as follows:

26           Sec. 312.005. STATE ADMINISTRATION. (a) The State  
27 Property Tax Board [~~comptroller~~] shall maintain a central registry

1 of reinvestment zones designated under this chapter and of ad  
2 valorem tax abatement agreements executed under this chapter. The  
3 chief appraiser of each appraisal district that appraises property  
4 for a taxing unit that has designated a reinvestment zone or  
5 executed a tax abatement agreement under this chapter shall deliver  
6 to the board [~~comptroller~~] before July 1 of the year following the  
7 year in which the zone is designated or the agreement is executed a  
8 report providing the following information:

9 (1) for a reinvestment zone, a general description of  
10 the zone, including its size, the types of property located in it,  
11 its duration, and the guidelines and criteria established for the  
12 reinvestment zone under Section 312.002, including subsequent  
13 amendments and modifications of the guidelines or criteria;

14 (2) a copy of each tax abatement agreement to which a  
15 taxing unit that participates in the appraisal district is a party;  
16 and

17 (3) any other information required by the board  
18 [~~comptroller~~] to administer this section [~~and Subchapter F, Chapter~~  
19 ~~111~~].

20 (b) The State Property Tax Board [~~comptroller~~] may provide  
21 assistance to a taxing unit on request of its governing body or the  
22 presiding officer of its governing body relating to the  
23 administration of this chapter. The economic development and  
24 tourism division of the governor's office [~~Texas Department of~~  
25 ~~Commerce~~] and the State Property Tax Board [~~comptroller~~] may  
26 provide technical assistance to a local governing body regarding  
27 the designation of reinvestment zones, the adoption of tax

1 abatement guidelines, and the execution of tax abatement  
2 agreements.

3 (c) Not later than December 31 of each even-numbered year,  
4 the State Property Tax Board [~~comptroller~~] shall submit a report to  
5 the legislature and to the governor on reinvestment zones  
6 designated under this chapter and on tax abatement agreements  
7 adopted under this chapter, including a summary of the information  
8 reported under this section.

9 SECTION 2.110. Section 313.004, Tax Code, is amended to  
10 read as follows:

11 Sec. 313.004. LEGISLATIVE INTENT. It is the intent of the  
12 legislature in enacting this chapter that:

13 (1) economic development decisions involving school  
14 district taxes should occur at the local level with oversight by the  
15 state and should be consistent with identifiable statewide economic  
16 development goals;

17 (2) this chapter should not be construed or  
18 interpreted to allow:

19 (A) property owners to pool investments to create  
20 sufficiently large investments to qualify for an ad valorem tax  
21 benefit provided by this chapter;

22 (B) an applicant for an ad valorem tax benefit  
23 provided by this chapter to assert that jobs will be eliminated if  
24 certain investments are not made if the assertion is not true; or

25 (C) an entity not subject to the tax imposed by  
26 Chapter 171 to receive an ad valorem tax benefit provided by this  
27 chapter;

1 (3) in implementing this chapter, school districts  
2 should:

3 (A) strictly interpret the criteria and  
4 selection guidelines provided by this chapter; and

5 (B) approve only those applications for an ad  
6 valorem tax benefit provided by this chapter that:

7 (i) enhance the local community;

8 (ii) improve the local public education  
9 system;

10 (iii) create high-paying jobs; and

11 (iv) advance the economic development goals  
12 of this state; and

13 (4) in implementing this chapter, the board  
14 [~~comptroller~~] should:

15 (A) strictly interpret the criteria and  
16 selection guidelines provided by this chapter; and

17 (B) issue certificates for limitations on  
18 appraised value only for those applications for an ad valorem tax  
19 benefit provided by this chapter that:

20 (i) create high-paying jobs;

21 (ii) provide a net benefit to the state over  
22 the long term; and

23 (iii) advance the economic development  
24 goals of this state.

25 SECTION 2.111. Section 313.005, Tax Code, is amended to  
26 read as follows:

27 Sec. 313.005. DEFINITIONS. (a) Unless this chapter defines

1 a word or phrase used in this chapter, Section 1.04 or any other  
2 section of Title 1 or this title that defines the word or phrase or  
3 ascribes a meaning to the word or phrase applies to the word or  
4 phrase used in this chapter.

5 (b) In this chapter, "board" means the State Property Tax  
6 Board.

7 SECTION 2.112. Section 313.022(b), Tax Code, is amended to  
8 read as follows:

9 (b) For purposes of determining the required minimum amount  
10 of a qualified investment under Section 313.021(2)(A)(iv)(a), and  
11 the minimum amount of a limitation on appraised value under Section  
12 313.027(b), school districts to which this subchapter applies are  
13 categorized according to the taxable value of property in the  
14 district for the preceding tax year determined under Subchapter B  
15 [~~M~~], Chapter 5 [~~403, Government Code~~], as follows:

CATEGORY	TAXABLE VALUE OF PROPERTY
I	\$10 billion or more
II	\$1 billion or more but less than \$10 billion
III	\$500 million or more but less than \$1 billion
IV	\$100 million or more but less than \$500 million
V	less than \$100 million

22 SECTION 2.113. Sections 313.025(a), (a-1), (b), (b-1), (c),  
23 (d), (d-1), (e), (h), and (i), Tax Code, are amended to read as  
24 follows:

25 (a) The owner or lessee of, or the holder of another  
26 possessory interest in, any qualified property described by Section  
27 313.021(2)(A), (B), or (C) may apply to the governing body of the

1 school district in which the property is located for a limitation on  
2 the appraised value for school district maintenance and operations  
3 ad valorem tax purposes of the person's qualified property. An  
4 application must be made on the form prescribed by the board  
5 [~~comptroller~~] and include the information required by the board  
6 [~~comptroller~~], and it must be accompanied by:

7 (1) the application fee established by the governing  
8 body of the school district;

9 (2) information sufficient to show that the real and  
10 personal property identified in the application as qualified  
11 property meets the applicable criteria established by Section  
12 [313.021\(2\)](#); and

13 (3) any information required by the board  
14 [~~comptroller~~] for the purposes of Section [313.026](#).

15 (a-1) Within seven days of the receipt of each document, the  
16 school district shall submit to the board [~~comptroller~~] a copy of  
17 the application and the proposed agreement between the applicant  
18 and the school district. If the applicant submits an economic  
19 analysis of the proposed project to the school district, the  
20 district shall submit a copy of the analysis to the board  
21 [~~comptroller~~]. In addition, the school district shall submit to  
22 the board [~~comptroller~~] any subsequent revision of or amendment to  
23 any of those documents within seven days of its receipt. The board  
24 [~~comptroller~~] shall publish each document received from the school  
25 district under this subsection on the board's [~~comptroller's~~]  
26 Internet website. If the school district maintains a generally  
27 accessible Internet website, the district shall provide on its



1 website a link to the location of those documents posted on the  
2 board's [~~comptroller's~~] website in compliance with this subsection.  
3 This subsection does not require the board [~~comptroller~~] to post  
4 information that is confidential under Section 313.028.

5 (b) The governing body of a school district is not required  
6 to consider an application for a limitation on appraised value. If  
7 the governing body of the school district elects to consider an  
8 application, the governing body shall deliver a copy of the  
9 application to the board [~~comptroller~~] and request that the board  
10 [~~comptroller~~] conduct an economic impact evaluation of the  
11 investment proposed by the application. The board [~~comptroller~~]  
12 shall conduct or contract with a third person to conduct the  
13 economic impact evaluation, which shall be completed and provided  
14 to the governing body of the school district, along with the board's  
15 [~~comptroller's~~] certificate or written explanation under  
16 Subsection (d), as soon as practicable but not later than the 90th  
17 day after the date the board [~~comptroller~~] receives the  
18 application. The governing body shall provide to the board  
19 [~~comptroller~~] or to a third person contracted by the board  
20 [~~comptroller~~] to conduct the economic impact evaluation any  
21 requested information. A methodology to allow comparisons of  
22 economic impact for different schedules of the addition of  
23 qualified investment or qualified property may be developed as part  
24 of the economic impact evaluation. The governing body shall  
25 provide a copy of the economic impact evaluation to the applicant on  
26 request. The board [~~comptroller~~] may charge the applicant a fee  
27 sufficient to cover the costs of providing the economic impact

1 evaluation. The governing body of a school district shall approve  
2 or disapprove an application not later than the 150th day after the  
3 date the application is filed, unless the economic impact  
4 evaluation has not been received or an extension is agreed to by the  
5 governing body and the applicant.

6 (b-1) The board [~~comptroller~~] shall promptly deliver a copy  
7 of the application to the Texas Education Agency. The Texas  
8 Education Agency shall determine the effect that the applicant's  
9 proposal will have on the number or size of the school district's  
10 instructional facilities and submit a written report containing the  
11 agency's determination to the school district. The governing body  
12 of the school district shall provide any requested information to  
13 the Texas Education Agency. Not later than the 45th day after the  
14 date the Texas Education Agency receives the application, the Texas  
15 Education Agency shall make the required determination and submit  
16 the agency's written report to the governing body of the school  
17 district.

18 (c) In determining whether to approve an application, the  
19 governing body of the school district is entitled to request and  
20 receive assistance from:

- 21 (1) the board [~~comptroller~~];
- 22 (2) the Texas Economic Development and Tourism Office;
- 23 (3) the Texas Workforce Investment Council; and
- 24 (4) the Texas Workforce Commission.

25 (d) Not later than the 90th day after the date the board  
26 [~~comptroller~~] receives the copy of the application, the board  
27 [~~comptroller~~] shall issue a certificate for a limitation on

1 appraised value of the property and provide the certificate to the  
2 governing body of the school district or provide the governing body  
3 a written explanation of the board's [~~comptroller's~~] decision not  
4 to issue a certificate.

5 (d-1) The governing body of a school district may not  
6 approve an application unless the board [~~comptroller~~] submits to  
7 the governing body a certificate for a limitation on appraised  
8 value of the property.

9 (e) Before approving or disapproving an application under  
10 this subchapter that the governing body of the school district  
11 elects to consider, the governing body must make a written finding  
12 as to any criteria considered by the board [~~comptroller~~] in  
13 conducting the economic impact evaluation under Section 313.026.  
14 The governing body shall deliver a copy of those findings to the  
15 applicant.

16 (h) After receiving a copy of the application, the board  
17 [~~comptroller~~] shall determine whether the property meets the  
18 requirements of Section 313.024 for eligibility for a limitation on  
19 appraised value under this subchapter. The board [~~comptroller~~]  
20 shall notify the governing body of the school district of the  
21 board's [~~comptroller's~~] determination and provide the applicant an  
22 opportunity for a hearing before the determination becomes final.  
23 A hearing under this subsection is a contested case hearing and  
24 shall be conducted by the State Office of Administrative Hearings  
25 in the manner provided by Section 2003.101, Government Code. The  
26 applicant has the burden of proof on each issue in the hearing. The  
27 applicant may seek judicial review of the board's [~~comptroller's~~]

1 determination in a Travis County district court under the  
2 substantial evidence rule as provided by Subchapter G, Chapter  
3 2001, Government Code.

4 (i) If the board's [~~comptroller's~~] determination under  
5 Subsection (h) that the property does not meet the requirements of  
6 Section 313.024 for eligibility for a limitation on appraised value  
7 under this subchapter becomes final, the board [~~comptroller~~] is not  
8 required to provide an economic impact evaluation of the  
9 application or to submit a certificate for a limitation on  
10 appraised value of the property or a written explanation of the  
11 decision not to issue a certificate, and the governing body of the  
12 school district may not grant the application.

13 SECTION 2.114. Section 313.026, Tax Code, is amended to  
14 read as follows:

15 Sec. 313.026. ECONOMIC IMPACT EVALUATION. (a) The  
16 economic impact evaluation of the application must include any  
17 information the board [~~comptroller~~] determines is necessary or  
18 helpful to:

19 (1) the governing body of the school district in  
20 determining whether to approve the application under Section  
21 313.025; or

22 (2) the board [~~comptroller~~] in determining whether to  
23 issue a certificate for a limitation on appraised value of the  
24 property under Section 313.025.

25 (b) Except as provided by Subsections (c) and (d), the  
26 board's [~~comptroller's~~] determination whether to issue a  
27 certificate for a limitation on appraised value under this chapter

1 for property described in the application shall be based on the  
2 economic impact evaluation described by Subsection (a) and on any  
3 other information available to the board [~~comptroller~~], including  
4 information provided by the governing body of the school district.

5 (c) The board [~~comptroller~~] may not issue a certificate for  
6 a limitation on appraised value under this chapter for property  
7 described in an application unless the board [~~comptroller~~]  
8 determines that:

9 (1) the project proposed by the applicant is  
10 reasonably likely to generate, before the 25th anniversary of the  
11 beginning of the limitation period, tax revenue, including state  
12 tax revenue, school district maintenance and operations ad valorem  
13 tax revenue attributable to the project, and any other tax revenue  
14 attributable to the effect of the project on the economy of the  
15 state, in an amount sufficient to offset the school district  
16 maintenance and operations ad valorem tax revenue lost as a result  
17 of the agreement; and

18 (2) the limitation on appraised value is a determining  
19 factor in the applicant's decision to invest capital and construct  
20 the project in this state.

21 (d) The board [~~comptroller~~] shall state in writing the basis  
22 for the determinations made under Subsections (c)(1) and (2).

23 (e) The applicant may submit information to the board  
24 [~~comptroller~~] that would provide a basis for an affirmative  
25 determination under Subsection (c)(2).

26 (f) Notwithstanding Subsections (c) and (d), if the board  
27 [~~comptroller~~] makes a qualitative determination that other

1 considerations associated with the project result in a net positive  
2 benefit to the state, the board [~~comptroller~~] may issue the  
3 certificate.

4 SECTION 2.115. Section 313.0265, Tax Code, is amended to  
5 read as follows:

6 Sec. 313.0265. DISCLOSURE OF APPRAISED VALUE LIMITATION  
7 INFORMATION. (a) The board [~~comptroller~~] shall post on the  
8 board's [~~comptroller's~~] Internet website each document or item of  
9 information the board [~~comptroller~~] designates as substantive  
10 before the 15th day after the date the document or item of  
11 information was received or created. Each document or item of  
12 information must continue to be posted until the appraised value  
13 limitation expires.

14 (b) The board [~~comptroller~~] shall designate the following  
15 as substantive:

16 (1) each application requesting a limitation on  
17 appraised value; and

18 (2) the economic impact evaluation made in connection  
19 with the application.

20 (c) If a school district maintains a generally accessible  
21 Internet website, the district shall maintain a link on its  
22 Internet website to the area of the board's [~~comptroller's~~]  
23 Internet website where information on each of the district's  
24 agreements to limit appraised value is maintained.

25 SECTION 2.116. Section 313.027(f), Tax Code, is amended to  
26 read as follows:

27 (f) In addition, the agreement:

1           (1) must incorporate each relevant provision of this  
2 subchapter and, to the extent necessary, include provisions for the  
3 protection of future school district revenues through the  
4 adjustment of the minimum valuations, the payment of revenue  
5 offsets, and other mechanisms agreed to by the property owner and  
6 the school district;

7           (2) may provide that the property owner will protect  
8 the school district in the event the district incurs extraordinary  
9 education-related expenses related to the project that are not  
10 directly funded in state aid formulas, including expenses for the  
11 purchase of portable classrooms and the hiring of additional  
12 personnel to accommodate a temporary increase in student enrollment  
13 attributable to the project;

14           (3) must require the property owner to maintain a  
15 viable presence in the school district for at least five years after  
16 the date the limitation on appraised value of the owner's property  
17 expires;

18           (4) must provide for the termination of the agreement,  
19 the recapture of ad valorem tax revenue lost as a result of the  
20 agreement if the owner of the property fails to comply with the  
21 terms of the agreement, and payment of a penalty or interest, or  
22 both, on that recaptured ad valorem tax revenue;

23           (5) may specify any conditions the occurrence of which  
24 will require the district and the property owner to renegotiate all  
25 or any part of the agreement;

26           (6) must specify the ad valorem tax years covered by  
27 the agreement; and

1           (7) must be in a form approved by the board  
2 ~~[comptroller]~~.

3           SECTION 2.117. Section 313.0275(d), Tax Code, is amended to  
4 read as follows:

5           (d) In the event of a casualty loss that prevents a person  
6 from complying with Subsection (a), the person may request and the  
7 board ~~[comptroller]~~ may grant a waiver of the penalty imposed under  
8 Subsection (b).

9           SECTION 2.118. Sections 313.0276(a), (b), (c), (d), (g),  
10 (j), (k), (l), and (m), Tax Code, are amended to read as follows:

11           (a) The board ~~[comptroller]~~ shall conduct an annual review  
12 and issue a determination as to whether a person with whom a school  
13 district has entered into an agreement under this chapter satisfied  
14 in the preceding year the requirements of this chapter regarding  
15 the creation of the required number of qualifying jobs. If the  
16 board ~~[comptroller]~~ makes an adverse determination in the review,  
17 the board ~~[comptroller]~~ shall notify the person of the cause of the  
18 adverse determination and the corrective measures necessary to  
19 remedy the determination.

20           (b) If a person who receives an adverse determination fails  
21 to remedy the determination following notification of the  
22 determination and the board ~~[comptroller]~~ makes an adverse  
23 determination with respect to the person's compliance in the  
24 following year, the person must submit to the board ~~[comptroller]~~ a  
25 plan for remedying the determination and certify the person's  
26 intent to fully implement the plan not later than December 31 of the  
27 year in which the determination is made.



1 (c) If a person who receives an adverse determination under  
2 Subsection (b) fails to comply with that subsection following  
3 notification of the determination and receives an adverse  
4 determination in the following year, the board [~~comptroller~~] shall  
5 impose a penalty on the person. The penalty is in an amount equal to  
6 the amount computed by:

7 (1) subtracting from the number of qualifying jobs  
8 required to be created the number of qualifying jobs actually  
9 created; and

10 (2) multiplying the amount computed under Subdivision  
11 (1) by the average annual wage for all jobs in the county during the  
12 most recent four quarters for which data is available.

13 (d) Notwithstanding Subsection (c), if a person receives an  
14 adverse determination and the board [~~comptroller~~] has previously  
15 imposed a penalty on the person under this section one or more  
16 times, the board [~~comptroller~~] shall impose a penalty on the person  
17 in an amount equal to the amount computed by multiplying the amount  
18 computed under Subsection (c)(1) by an amount equal to twice the  
19 amount computed under Subsection (c)(2).

20 (g) An adverse determination under this section is a  
21 deficiency determination under Section [111.008](#). The board shall  
22 report a penalty under this section to the comptroller. The [A  
23 penalty imposed under this section is an amount the] comptroller is  
24 required to collect, receive, or administer the amount of the  
25 penalty imposed under this section, [or enforce,] and the  
26 determination is subject to the payment and redetermination  
27 requirements of Sections [111.0081](#) and [111.009](#).

1 (j) If the board [~~comptroller~~] imposes a penalty on a person  
2 under this section three times, the board [~~comptroller~~] may rescind  
3 the agreement between the person and the school district under this  
4 chapter.

5 (k) A person may contest a determination by the board  
6 [~~comptroller~~] to rescind an agreement between the person and a  
7 school district under this chapter pursuant to Subsection (j) by  
8 filing suit against the board [~~comptroller~~] and the attorney  
9 general. The district courts of Travis County have exclusive,  
10 original jurisdiction of a suit brought under this subsection.  
11 This subsection prevails over a provision of Chapter 25, Government  
12 Code, to the extent of any conflict.

13 (l) If a person files suit under Subsection (k) and the  
14 board's [~~comptroller's~~] determination to rescind the agreement is  
15 upheld on appeal, the person shall pay to the board [~~comptroller~~]  
16 any tax that would have been due and payable to the school district  
17 during the pendency of the appeal, including statutory interest and  
18 penalties imposed on delinquent taxes under Sections [111.060](#) and  
19 [111.061](#).

20 (m) The board [~~comptroller~~] shall transfer any [~~deposit a~~]  
21 penalty collected under this section, including any interest and  
22 penalty applicable to the penalty, to the comptroller who shall  
23 deposit it to the credit of the foundation school fund.

24 SECTION 2.119. Section [313.028](#), Tax Code, is amended to  
25 read as follows:

26 Sec. 313.028. CERTAIN BUSINESS INFORMATION CONFIDENTIAL.  
27 Information provided to a school district in connection with an

1 application for a limitation on appraised value under this  
2 subchapter that describes the specific processes or business  
3 activities to be conducted or the specific tangible personal  
4 property to be located on real property covered by the application  
5 shall be segregated in the application from other information in  
6 the application and is confidential and not subject to public  
7 disclosure unless the governing body of the school district  
8 approves the application. Other information in the custody of a  
9 school district or the board [~~comptroller~~] in connection with the  
10 application, including information related to the economic impact  
11 of a project or the essential elements of eligibility under this  
12 chapter, such as the nature and amount of the projected investment,  
13 employment, wages, and benefits, may not be considered confidential  
14 business information if the governing body of the school district  
15 agrees to consider the application. Information in the custody of a  
16 school district or the board [~~comptroller~~] if the governing body  
17 approves the application is not confidential under this section.

18 SECTION 2.120. Section 313.031(a), Tax Code, is amended to  
19 read as follows:

20 (a) The board [~~comptroller~~] shall:

21 (1) adopt rules and forms necessary for the  
22 implementation and administration of this chapter, including rules  
23 for determining whether a property owner's property qualifies as a  
24 qualified investment under Section 313.021(1); and

25 (2) provide without charge one copy of the rules and  
26 forms to any school district and to any person who states that the  
27 person intends to apply for a limitation on appraised value under

1 this subchapter.

2 SECTION 2.121. Sections 313.032(a), (b-1), (c), and (d),  
3 Tax Code, are amended to read as follows:

4 (a) Before the beginning of each regular session of the  
5 legislature, the board [~~comptroller~~] shall submit to the lieutenant  
6 governor, the speaker of the house of representatives, and each  
7 other member of the legislature a report on the agreements entered  
8 into under this chapter that includes:

9 (1) an assessment of the following with regard to the  
10 agreements entered into under this chapter, considered in the  
11 aggregate:

12 (A) the total number of jobs created, direct and  
13 otherwise, in this state;

14 (B) the total effect on personal income, direct  
15 and otherwise, in this state;

16 (C) the total amount of investment in this state;

17 (D) the total taxable value of property on the  
18 tax rolls in this state, including property for which the  
19 limitation period has expired;

20 (E) the total value of property not on the tax  
21 rolls in this state as a result of agreements entered into under  
22 this chapter; and

23 (F) the total fiscal effect on the state and  
24 local governments; and

25 (2) an assessment of the progress of each agreement  
26 made under this chapter that states for each agreement:

27 (A) the number of qualifying jobs each recipient

1 of a limitation on appraised value committed to create;

2 (B) the number of qualifying jobs each recipient  
3 created;

4 (C) the total amount of wages and the median wage  
5 of the new qualifying jobs each recipient created;

6 (D) the amount of the qualified investment each  
7 recipient committed to spend or allocate for each project;

8 (E) the amount of the qualified investment each  
9 recipient spent or allocated for each project;

10 (F) the market value of the qualified property of  
11 each recipient as determined by the applicable chief appraiser,  
12 including property that is no longer eligible for a limitation on  
13 appraised value under the agreement;

14 (G) the limitation on appraised value for the  
15 qualified property of each recipient;

16 (H) the dollar amount of the taxes that would  
17 have been imposed on the qualified property if the property had not  
18 received a limitation on appraised value; and

19 (I) the dollar amount of the taxes imposed on the  
20 qualified property.

21 (b-1) In preparing the portion of the report described by  
22 Subsection (a)(1), the board [~~comptroller~~] may use standard  
23 economic estimation techniques, including economic multipliers.

24 (c) The portion of the report described by Subsection (a)(2)  
25 must be based on data certified to the board [~~comptroller~~] by each  
26 recipient or former recipient of a limitation on appraised value  
27 under this chapter.

1 (d) The board [~~comptroller~~] may require a recipient or  
2 former recipient of a limitation on appraised value under this  
3 chapter to submit, on a form the board [~~comptroller~~] provides,  
4 information required to complete the report.

5 SECTION 2.122. Section 313.033, Tax Code, is amended to  
6 read as follows:

7 Sec. 313.033. REPORT ON COMPLIANCE WITH JOB-CREATION  
8 REQUIREMENTS. Each recipient of a limitation on appraised value  
9 under this chapter shall submit to the board [~~comptroller~~] an  
10 annual report on a form provided by the board [~~comptroller~~] that  
11 provides information sufficient to document the number of  
12 qualifying jobs created.

13 SECTION 2.123. Sections 313.051(a) and (a-3), Tax Code, are  
14 amended to read as follows:

15 (a) In this section, "strategic investment area" means an  
16 area the board [~~comptroller~~] determines under Subsection (a-3) is:

17 (1) a county within this state with unemployment above  
18 the state average and per capita income below the state average;

19 (2) an area within this state that is a federally  
20 designated urban enterprise community or an urban enhanced  
21 enterprise community; or

22 (3) a defense economic readjustment zone designated  
23 under Chapter 2310, Government Code.

24 (a-3) Not later than September 1 of each year, the board  
25 [~~comptroller~~] shall determine areas that qualify as a strategic  
26 investment area using the most recently completed full calendar  
27 year data available on that date and, not later than October 1,

1 shall publish a list and map of the designated areas. A  
2 determination under this subsection is effective for the following  
3 tax year for purposes of this subchapter.

4 SECTION 2.124. Section 313.052, Tax Code, is amended to  
5 read as follows:

6 Sec. 313.052. CATEGORIZATION OF SCHOOL DISTRICTS. For  
7 purposes of determining the required minimum amount of a qualified  
8 investment under Section 313.021(2)(A)(iv)(a) and the minimum  
9 amount of a limitation on appraised value under this subchapter,  
10 school districts to which this subchapter applies are categorized  
11 according to the taxable value of industrial property in the  
12 district for the preceding tax year determined under Subchapter B  
13 [~~M~~], Chapter 5 [~~403, Government Code~~], as follows:

14 CATEGORY	TAXABLE VALUE OF INDUSTRIAL PROPERTY
15 I	\$200 million or more
16 II	\$90 million or more but less than \$200 million
17 III	\$1 million or more but less than \$90 million
18 IV	\$100,000 or more but less than \$1 million
19 V	less than \$100,000

20 SECTION 2.125. Section 7.062(a), Education Code, is amended  
21 to read as follows:

22 (a) In this section, "wealth per student" means a school  
23 district's taxable value of property as determined under Subchapter  
24 B [~~M~~], Chapter 5 [~~403~~], Tax [~~Government~~] Code, or, if applicable,  
25 Section 42.2521, divided by the district's average daily attendance  
26 as determined under Section 42.005.

27 SECTION 2.126. Section 13.051(c), Education Code, is

1 amended to read as follows:

2 (c) Territory that does not have residents may be detached  
3 from a school district and annexed to another school district if:

4 (1) the total taxable value of the property in the  
5 territory according to the most recent certified appraisal roll for  
6 each school district is not greater than:

7 (A) five percent of the district's taxable value  
8 of all property in that district as determined under Subchapter B  
9 [~~M~~], Chapter 5 [~~403~~], Tax [~~Government~~] Code; and

10 (B) \$5,000 property value per student in average  
11 daily attendance as determined under Section 42.005; and

12 (2) the school district from which the property will  
13 be detached does not own any real property located in the territory.

14 SECTION 2.127. Section 13.231(b), Education Code, is  
15 amended to read as follows:

16 (b) In this section, "taxable value" has the meaning  
17 assigned by Section 5.23 [~~403.302~~], Tax [~~Government~~] Code.

18 SECTION 2.128. Section 41.001(2), Education Code, is  
19 amended to read as follows:

20 (2) "Wealth per student" means the taxable value of  
21 property, as determined under Subchapter B [~~M~~], Chapter 5 [~~403~~],  
22 Tax [~~Government~~] Code, divided by the number of students in  
23 weighted average daily attendance.

24 SECTION 2.129. Section 41.002(f), Education Code, is  
25 amended to read as follows:

26 (f) For purposes of Subsection (e), a school district's  
27 effective tax rate is determined by dividing the total amount of



1 taxes collected by the district for the applicable school year less  
2 any amounts paid into a tax increment fund under Chapter 311, Tax  
3 Code, by the quotient of the district's taxable value of property,  
4 as determined under Subchapter B [~~M~~], Chapter 5 [~~403~~], Tax  
5 [~~Government~~] Code, divided by 100.

6 SECTION 2.130. Section 41.202(a), Education Code, is  
7 amended to read as follows:

8 (a) For purposes of this subchapter, the taxable value of an  
9 individual parcel or other item of property and the total taxable  
10 value of property in a school district resulting from the  
11 detachment of property from or annexation of property to that  
12 district is determined by applying the appraisal ratio for the  
13 appropriate category of property determined under Subchapter B [~~M~~],  
14 Chapter 5 [~~403~~], Tax [~~Government~~] Code, for the preceding tax year  
15 to the taxable value of the detached or annexed property determined  
16 under Title 1, Tax Code, for the preceding tax year.

17 SECTION 2.131. Sections 42.252(a), (b), and (c), Education  
18 Code, are amended to read as follows:

19 (a) Each school district's share of the Foundation School  
20 Program is determined by the following formula:

21 
$$\text{LFA} = \text{TR} \times \text{DPV}$$

22 where:

23 "LFA" is the school district's local share;

24 "TR" is a tax rate which for each hundred dollars of valuation  
25 is an effective tax rate of the amount equal to the product of the  
26 state compression percentage, as determined under Section 42.2516,  
27 multiplied by the lesser of:

1 (1) \$1.50; or

2 (2) the maintenance and operations tax rate adopted by  
3 the district for the 2005 tax year; and

4 "DPV" is the taxable value of property in the school district  
5 for the preceding tax year determined under Subchapter B [~~M~~],  
6 Chapter 5 [~~403~~], Tax [~~Government~~] Code.

7 (b) The commissioner shall adjust the values reported in the  
8 official report of the State Property Tax Board [~~comptroller~~] as  
9 required by Section 5.09(a), Tax Code, to reflect reductions in  
10 taxable value of property resulting from natural or economic  
11 disaster after January 1 in the year in which the valuations are  
12 determined. The decision of the commissioner is final. An  
13 adjustment does not affect the local fund assignment of any other  
14 school district.

15 (c) Appeals of district values shall be held pursuant to  
16 Section 5.24 [~~403.303~~], Tax [~~Government~~] Code.

17 SECTION 2.132. Sections 42.2522(a) and (d), Education Code,  
18 are amended to read as follows:

19 (a) In any school year, the commissioner may not provide  
20 funding under this chapter based on a school district's taxable  
21 value of property computed in accordance with Section 5.23(d)(2)  
22 [~~403.302(d)(2)~~], Tax [~~Government~~] Code, unless:

23 (1) funds are specifically appropriated for purposes  
24 of this section; or

25 (2) the commissioner determines that the total amount  
26 of state funds appropriated for purposes of the Foundation School  
27 Program for the school year exceeds the amount of state funds

1 distributed to school districts in accordance with Section 42.253  
 2 based on the taxable values of property in school districts  
 3 computed in accordance with Section 5.23(d) [~~403.302(d)~~], Tax  
 4 [~~Government~~] Code, without any deduction for residence homestead  
 5 exemptions granted under Section 11.13(n), Tax Code.

6 (d) If the commissioner determines that the amount of funds  
 7 available under Subsection (a)(1) or (2) does not at least equal the  
 8 total amount of state funding to which districts would be entitled  
 9 if state funding under this chapter were based on the taxable values  
 10 of property in school districts computed in accordance with Section  
 11 5.23(d)(2) [~~403.302(d)(2)~~], Tax [~~Government~~] Code, the  
 12 commissioner may, to the extent necessary, provide state funding  
 13 based on a uniform lesser fraction of the deduction under Section  
 14 5.23(d)(2) [~~403.302(d)(2)~~], Tax [~~Government~~] Code.

15 SECTION 2.133. Section 42.254, Education Code, is amended  
 16 to read as follows:

17 Sec. 42.254. ESTIMATES REQUIRED. (a) Not later than  
 18 October 1 of each even-numbered year:

19 (1) the agency shall submit to the legislature an  
 20 estimate of the tax rate and student enrollment of each school  
 21 district for the following biennium; and

22 (2) the State Property Tax Board [~~comptroller~~] shall  
 23 submit to the legislature an estimate of the total taxable value of  
 24 all property in the state as determined under Subchapter B [~~M~~],  
 25 Chapter 5 [~~403~~], Tax [~~Government~~] Code, for the following biennium.

26 (b) The agency and the State Property Tax Board  
 27 [~~comptroller~~] shall update the information provided to the

1 legislature under Subsection (a) not later than March 1 of each  
2 odd-numbered year.

3 SECTION 2.134. Section 42.257(a), Education Code, is  
4 amended to read as follows:

5 (a) If the final determination of an appeal under Chapter  
6 42, Tax Code, results in a reduction in the taxable value of  
7 property that exceeds five percent of the total taxable value of  
8 property in the school district for the same tax year determined  
9 under Subchapter B [~~M~~], Chapter 5 [~~403~~], Tax [~~Government~~] Code, the  
10 commissioner shall request the State Property Tax Board  
11 [~~comptroller~~] to adjust its taxable property value findings for  
12 that year consistent with the final determination of the appraisal  
13 appeal.

14 SECTION 2.135. Section 42.259(a)(4), Education Code, is  
15 amended to read as follows:

16 (4) "Wealth per student" means the taxable property  
17 values reported by the State Property Tax Board [~~comptroller~~] to  
18 the commissioner under Section 42.252 divided by the number of  
19 students in average daily attendance.

20 SECTION 2.136. Section 42.302(a), Education Code, is  
21 amended to read as follows:

22 (a) Each school district is guaranteed a specified amount  
23 per weighted student in state and local funds for each cent of tax  
24 effort over that required for the district's local fund assignment  
25 up to the maximum level specified in this subchapter. The amount of  
26 state support, subject only to the maximum amount under Section  
27 42.303, is determined by the formula:

$$\text{GYA} = (\text{GL} \times \text{WADA} \times \text{DTR} \times 100) - \text{LR}$$

2 where:

3 "GYA" is the guaranteed yield amount of state funds to be  
4 allocated to the district;

5 "GL" is the dollar amount guaranteed level of state and local  
6 funds per weighted student per cent of tax effort, which is an  
7 amount described by Subsection (a-1) or a greater amount for any  
8 year provided by appropriation;

9 "WADA" is the number of students in weighted average daily  
10 attendance, which is calculated by dividing the sum of the school  
11 district's allotments under Subchapters B and C, less any allotment  
12 to the district for transportation, any allotment under Section  
13 42.158 or 42.160, and 50 percent of the adjustment under Section  
14 42.102, by the basic allotment for the applicable year;

15 "DTR" is the district enrichment tax rate of the school  
16 district, which is determined by subtracting the amounts specified  
17 by Subsection (b) from the total amount of maintenance and  
18 operations taxes collected by the school district for the  
19 applicable school year and dividing the difference by the quotient  
20 of the district's taxable value of property as determined under  
21 Subchapter B [~~M~~], Chapter 5 [~~403~~], Tax [~~Government~~] Code, or, if  
22 applicable, under Section 42.2521, divided by 100; and

23 "LR" is the local revenue, which is determined by multiplying  
24 "DTR" by the quotient of the district's taxable value of property as  
25 determined under Subchapter B [~~M~~], Chapter 5 [~~403~~], Tax  
26 [~~Government~~] Code, or, if applicable, under Section 42.2521,  
27 divided by 100.

1 SECTION 2.137. Section 46.003(a), Education Code, is  
2 amended to read as follows:

3 (a) For each year, except as provided by Sections 46.005 and  
4 46.006, a school district is guaranteed a specified amount per  
5 student in state and local funds for each cent of tax effort, up to  
6 the maximum rate under Subsection (b), to pay the principal of and  
7 interest on eligible bonds issued to construct, acquire, renovate,  
8 or improve an instructional facility. The amount of state support  
9 is determined by the formula:

$$10 \quad \text{FYA} = (\text{FYL} \times \text{ADA} \times \text{BTR} \times 100) - (\text{BTR} \times (\text{DPV}/100))$$

11 where:

12 "FYA" is the guaranteed facilities yield amount of state  
13 funds allocated to the district for the year;

14 "FYL" is the dollar amount guaranteed level of state and  
15 local funds per student per cent of tax effort, which is \$35 or a  
16 greater amount for any year provided by appropriation;

17 "ADA" is the greater of the number of students in average  
18 daily attendance, as determined under Section 42.005, in the  
19 district or 400;

20 "BTR" is the district's bond tax rate for the current year,  
21 which is determined by dividing the amount budgeted by the district  
22 for payment of eligible bonds by the quotient of the district's  
23 taxable value of property as determined under Subchapter B [~~M~~],  
24 Chapter 5 [~~403~~], Tax [~~Government~~] Code, or, if applicable, Section  
25 42.2521, divided by 100; and

26 "DPV" is the district's taxable value of property as  
27 determined under Subchapter B [~~M~~], Chapter 5 [~~403~~], Tax

1 ~~[Government]~~ Code, or, if applicable, Section 42.2521.

2 SECTION 2.138. Section 46.006(g), Education Code, is  
3 amended to read as follows:

4 (g) In this section, "wealth per student" means a school  
5 district's taxable value of property as determined under Subchapter  
6 B ~~[#]~~, Chapter 5 ~~[403]~~, Tax ~~[Government]~~ Code, or, if applicable,  
7 Section 42.2521, divided by the district's average daily attendance  
8 as determined under Section 42.005.

9 SECTION 2.139. Section 46.032(a), Education Code, is  
10 amended to read as follows:

11 (a) Each school district is guaranteed a specified amount  
12 per student in state and local funds for each cent of tax effort to  
13 pay the principal of and interest on eligible bonds. The amount of  
14 state support, subject only to the maximum amount under Section  
15 46.034, is determined by the formula:

16 
$$EDA = (EDGL \times ADA \times EDTR \times 100) - (EDTR \times (DPV/100))$$

17 where:

18 "EDA" is the amount of state funds to be allocated to the  
19 district for assistance with existing debt;

20 "EDGL" is the dollar amount guaranteed level of state and  
21 local funds per student per cent of tax effort, which is \$35 or a  
22 greater amount for any year provided by appropriation;

23 "ADA" is the number of students in average daily attendance,  
24 as determined under Section 42.005, in the district;

25 "EDTR" is the existing debt tax rate of the district, which is  
26 determined by dividing the amount budgeted by the district for  
27 payment of eligible bonds by the quotient of the district's taxable

1 value of property as determined under Subchapter B [~~M~~], Chapter 5  
2 [~~403~~], Tax [~~Government~~] Code, or, if applicable, under Section  
3 42.2521, divided by 100; and

4 "DPV" is the district's taxable value of property as  
5 determined under Subchapter B [~~M~~], Chapter 5 [~~403~~], Tax  
6 [~~Government~~] Code, or, if applicable, under Section 42.2521.

7 SECTION 2.140. The heading to Section 552.149, Government  
8 Code, is amended to read as follows:

9 Sec. 552.149. EXCEPTION: CONFIDENTIALITY OF RECORDS OF  
10 STATE PROPERTY TAX BOARD [~~COMPTROLLER~~] OR APPRAISAL DISTRICT  
11 RECEIVED FROM PRIVATE ENTITY.

12 SECTION 2.141. Sections 552.149(a), (c), and (d),  
13 Government Code, are amended to read as follows:

14 (a) Information relating to real property sales prices,  
15 descriptions, characteristics, and other related information  
16 received from a private entity by the State Property Tax Board  
17 [~~comptroller~~] or the chief appraiser of an appraisal district under  
18 Chapter 6, Tax Code, is excepted from the requirements of Section  
19 552.021.

20 (c) Notwithstanding Subsection (a) or Section 5.25, Tax  
21 Code [~~403.304~~], so as to assist a property owner or an appraisal  
22 district in a protest filed under Section 5.24, Tax Code [~~403.303~~],  
23 the property owner, the district, or an agent of the property owner  
24 or district may, on request, obtain from the State Property Tax  
25 Board [~~comptroller~~] any information, including confidential  
26 information, obtained by the board [~~comptroller~~] in connection with  
27 the board's [~~comptroller's~~] finding that is being protested.



1 Confidential information obtained by a property owner, an appraisal  
2 district, or an agent of the property owner or district under this  
3 subsection:

4 (1) remains confidential in the possession of the  
5 property owner, district, or agent; and

6 (2) may not be disclosed to a person who is not  
7 authorized to receive or inspect the information.

8 (d) Notwithstanding Subsection (a) or Section 5.25, Tax  
9 Code [403.304], so as to assist a school district in the preparation  
10 of a protest filed or to be filed under Section 5.24, Tax Code  
11 [403.303], the school district or an agent of the school district  
12 may, on request, obtain from the State Property Tax Board  
13 [comptroller] or the appraisal district any information, including  
14 confidential information, obtained by the board [comptroller] or  
15 the appraisal district that relates to the appraisal of property  
16 involved in the board's [comptroller's] finding that is being  
17 protested. Confidential information obtained by a school district  
18 or an agent of the school district under this subsection:

19 (1) remains confidential in the possession of the  
20 school district or agent; and

21 (2) may not be disclosed to a person who is not  
22 authorized to receive or inspect the information.

23 SECTION 2.142. Sections 825.405(h) and (i), Government  
24 Code, are amended to read as follows:

25 (h) This section does not apply to state contributions for  
26 members employed by a school district in a school year if the  
27 district's effective tax rate for maintenance and operation

1 revenues for the tax year that ended in the preceding school year  
2 equals or exceeds 125 percent of the statewide average effective  
3 tax rate for school district maintenance and operation revenues for  
4 that tax year. For a tax year, the statewide average effective tax  
5 rate for school district maintenance and operation revenues is the  
6 tax rate that, if applied to the statewide total appraised value of  
7 taxable property for every school district in the state determined  
8 under Section 5.23, Tax Code [403.302], would produce an amount  
9 equal to the statewide total amount of maintenance and operation  
10 taxes imposed in the tax year for every school district in the  
11 state.

12 (i) Not later than the seventh day after the final date the  
13 State Property Tax Board [~~comptroller~~] certifies to the  
14 commissioner of education changes to the property value study  
15 conducted under Subchapter B [4], Chapter 5, Tax Code [403], the  
16 board [~~comptroller~~] shall certify to the Teacher Retirement System  
17 of Texas:

18 (1) the effective tax rate for school district  
19 maintenance and operation revenues for each school district in the  
20 state for the immediately preceding tax year; and

21 (2) the statewide average effective tax rate for  
22 school district maintenance and operation revenues for the  
23 immediately preceding tax year.

24 SECTION 2.143. Section 61.040, Health and Safety Code, is  
25 amended to read as follows:

26 Sec. 61.040. TAX INFORMATION. The State Property Tax Board  
27 [~~comptroller~~] shall give the department information relating to:

1 (1) the taxable value of property taxable by each  
2 county and each county's applicable general revenue tax levy for  
3 the relevant period; and

4 (2) the amount of sales and use tax revenue received by  
5 each county for the relevant period.

6 SECTION 2.144. Section [1151.1015](#), Occupations Code, is  
7 amended to read as follows:

8 Sec. 1151.1015. ASSISTANCE FROM STATE PROPERTY TAX BOARD  
9 [~~COMPTROLLER~~]. The State Property Tax Board [~~comptroller~~] shall  
10 enter into a memorandum of understanding with the department under  
11 which the board [~~comptroller~~] shall provide:

12 (1) information on the educational needs of and  
13 opportunities for tax professionals;

14 (2) review and approval of all required educational  
15 courses, examinations, and continuing education programs for  
16 registrants;

17 (3) a copy of any report issued by the board  
18 [~~comptroller~~] under Section [5.102](#), Tax Code, and if requested by  
19 the department a copy of any work papers or other documents  
20 collected or created in connection with a report issued under that  
21 section; and

22 (4) information and assistance regarding  
23 administrative proceedings conducted under the commission's rules  
24 or this chapter.

25 SECTION 2.145. Sections [1151.1581](#)(b) and (e), Occupations  
26 Code, are amended to read as follows:

27 (b) The State Property Tax Board [~~comptroller~~] must review

1 and approve all continuing education programs for registrants.

2 (e) The State Property Tax Board [~~comptroller~~] may set fees  
3 for continuing education courses and providers of continuing  
4 education courses in amounts reasonable and necessary to cover the  
5 board's [~~comptroller's~~] costs in administering the board's  
6 [~~comptroller's~~] duties under this section.

7 SECTION 2.146. Section 1151.161(c), Occupations Code, is  
8 amended to read as follows:

9 (c) The department may accept, develop, or contract for the  
10 examinations required by this section, including the  
11 administration of the examinations. The State Property Tax Board  
12 [~~comptroller~~] must approve the content of an examination accepted,  
13 developed, or contracted for by the department. The department may  
14 require a third-party vendor to collect a fee associated with the  
15 examination directly from examinees.

16 SECTION 2.147. Section 1151.202(c), Occupations Code, is  
17 amended to read as follows:

18 (c) Before imposing an administrative penalty under  
19 Subchapter F, Chapter 51, against a registrant, the department must  
20 consider evidence that the registrant:

21 (1) attempted in good faith to implement or execute a  
22 law, policy, rule, order, budgetary restriction, or other  
23 regulation provided by the laws of this state, the State Property  
24 Tax Board [~~comptroller~~], or the governing body or the chief  
25 administrator of the appraisal district or taxing jurisdiction that  
26 employs the registrant;

27 (2) acted on the advice of counsel or the State

1 Property Tax Board [~~comptroller~~]; or

2 (3) had discretion over the matter on which the  
3 complaint is based, if the complaint is based solely on grounds that  
4 the registrant decided incorrectly or failed to exercise discretion  
5 in favor of the complainant.

6 SECTION 2.148. Section 1151.204(c), Occupations Code, is  
7 amended to read as follows:

8 (c) This section does not apply to:

9 (1) a matter referred to the department by the State  
10 Property Tax Board [~~comptroller~~] under Section 5.102, Tax Code, or  
11 a successor statute;

12 (2) a complaint concerning a registrant's failure to  
13 comply with the registration and certification requirements of this  
14 chapter; or

15 (3) a complaint concerning a newly appointed chief  
16 appraiser's failure to complete the training program described by  
17 Section 1151.164.

18 SECTION 2.149. Section 1152.204(c), Occupations Code, is  
19 amended to read as follows:

20 (c) The commission may recognize an educational program or  
21 course:

22 (1) related to property tax consulting services; and

23 (2) offered or sponsored by a public provider or a  
24 recognized private provider, including:

25 (A) the State Property Tax Board [~~comptroller~~];

26 (B) the State Bar of Texas;

27 (C) the Texas Real Estate Commission;

1 (D) an institution of higher education that meets  
2 program and accreditation standards comparable to those for public  
3 institutions of higher education as determined by the Texas Higher  
4 Education Coordinating Board; or

5 (E) a nonprofit and voluntary trade association,  
6 institute, or organization:

7 (i) whose membership consists primarily of  
8 persons who represent property owners in property tax or  
9 transactional tax matters;

10 (ii) that has written experience and  
11 examination requirements for membership or for granting  
12 professional designation to its members; and

13 (iii) that subscribes to a code of  
14 professional conduct or ethics.

15 ARTICLE 3. TRANSITION AND EFFECTIVE DATE

16 SECTION 3.01. (a) On January 1, 2016:

17 (1) the property tax assistance division of the office  
18 of the comptroller of public accounts is abolished and all powers  
19 and duties of the division are transferred to the State Property Tax  
20 Board;

21 (2) all obligations, rights, contracts,  
22 appropriations, records, and property of the property tax  
23 assistance division of the office of the comptroller of public  
24 accounts are transferred to the State Property Tax Board;

25 (3) a rule, policy, procedure, or decision of the  
26 property tax assistance division of the office of the comptroller  
27 of public accounts continues in effect as a rule, policy,

1 procedure, or decision of the State Property Tax Board, in  
2 accordance with Subdivision (1) of this subsection, until  
3 superseded by a later act of the State Property Tax Board; and

4 (4) a reference in law to the property tax assistance  
5 division of the office of the comptroller of public accounts or to  
6 the comptroller in a law concerning the former duties of the  
7 division means the State Property Tax Board.

8 (b) The validity of a form adopted, contract or acquisition  
9 made, proceeding begun, obligation incurred, right accrued, or  
10 other action taken by or in connection with the authority of the  
11 property tax assistance division of the office of the comptroller  
12 of public accounts before it is abolished under Subsection (a) of  
13 this section is not affected by this Act. To the extent those  
14 actions continue to have any effect on or after January 1, 2016,  
15 they are considered to be actions of the State Property Tax Board.

16 (c) The State Property Tax Board shall reimburse the general  
17 revenue fund with all money received from appraisal districts or  
18 property owners as reimbursement for the board's cost of conducting  
19 performance audits.

20 (d) All appropriations made to the office of the comptroller  
21 of public accounts to conduct the duties of the property tax  
22 assistance division of that office are transferred to the State  
23 Property Tax Board.

24 (e) As soon as practicable after the effective date of this  
25 Act, but not later than October 1, 2015, the governor shall make  
26 appointments to the State Property Tax Board. In making those  
27 appointments, the governor shall appoint three members to terms

1 expiring March 1, 2017, two to terms expiring March 1, 2019, and two  
2 to terms expiring March 1, 2021.

3 (f) The governor or the person appointed by the governor to  
4 be the chair of the State Property Tax Board may designate a person  
5 to perform ministerial duties necessary for posting notice of and  
6 holding the first meeting of the board.

7 SECTION 3.02. (a) Not later than November 1, 2015, the  
8 property tax assistance division of the office of the comptroller  
9 of public accounts and the State Property Tax Board shall adopt a  
10 comprehensive transition plan to transfer the powers and duties of  
11 the division to the board under this Act. The comprehensive  
12 transition plan may include an agreement for the provision of  
13 office space, utilities and other facility services, and support  
14 services and for the transfer of information technology as  
15 necessary or appropriate to effect the transfer of the powers and  
16 duties of the division to the board.

17 (b) Otherwise confidential information shared between the  
18 property tax assistance division of the office of the comptroller  
19 of public accounts and the State Property Tax Board remains subject  
20 to the same confidentiality requirements and legal restrictions on  
21 access to the information that are imposed by law on the entity that  
22 originally obtained or collected the information.

23 (c) Information described in Subsection (b) of this section  
24 may be shared between the property tax assistance division of the  
25 office of the comptroller of public accounts and the State Property  
26 Tax Board without the consent of the person who is the subject of  
27 the information.



1           SECTION 3.03. (a) Not later than December 1, 2015, the  
2 head of the property tax assistance division of the office of the  
3 comptroller of public accounts shall meet with the State Property  
4 Tax Board to provide for the transfer of essential personnel to the  
5 board.

6           (b) The division shall continue, as necessary, to perform  
7 the duties and functions being transferred to the board until the  
8 transfer of agency duties and functions is complete.

9           SECTION 3.04. The Comptroller's Appraisal Review Board  
10 Manual is renamed the State Property Tax Board's Appraisal Review  
11 Board Manual. Any references to the Comptroller's Appraisal Review  
12 Board Manual mean the State Property Tax Board's Appraisal Review  
13 Board Manual.

14           SECTION 3.05. This Act applies only to a tax year beginning  
15 on or after the effective date of this Act.

16           SECTION 3.06. This Act takes effect September 1, 2015.