

BILL ANALYSIS

H.B. 155
By: Phelan
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Concerns have been raised that current appraisal practices can lead to imprecise valuation of properties based on prevailing characteristics across an entire neighborhood without regard to a particular property's unique features and without any recourse for a homeowner to seek correction of the appraised value if a subsequent sale reveals the actual market value to be less than the value as appraised during the period of ownership. H.B. 155 seeks to address such a situation and increase confidence and fairness in the appraisal system by authorizing a change in the appraisal roll under certain conditions.

CRIMINAL JUSTICE IMPACT

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

RULEMAKING AUTHORITY

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

ANALYSIS

H.B. 155 amends the Tax Code to authorize an appraisal review board, on motion of the chief appraiser or of a property owner, to direct by written order that the appraised value of the owner's property in the current tax year and either of the two preceding tax years be changed in the appraisal roll or related records to the sales price of the property in the current tax year if, for each tax year for which the change is to be made, the property qualifies as that owner's residence homestead, the sales price of the property is at least 10 percent less than the appraised value of the property, and the board makes a finding that the sales price reflects the market value of the property. The bill entitles a party bringing such a motion to a hearing on and a determination of the motion by the board under certain conditions, authorizes the filing of such a motion regardless of whether the owner of the property protested an action relating to the value of the property that is the subject of the motion for a tax year to which the motion relates, and requires the hearing on such a motion to be conducted in the manner provided by statutory provisions relating to taxpayer protest hearings. Effective January 1, 2018, the bill makes a conforming change relating to a party's right to request a hearing on and a determination of a motion by the appraisal review board.

EFFECTIVE DATE

Except as otherwise provided, on passage, or, if the bill does not receive the necessary vote, on the 91st day after the last day of the legislative session.