

## **BILL ANALYSIS**

C.S.H.B. 804  
By: Dale  
Ways & Means  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties contend that lessees who are responsible for the taxes on the property which they rent often do not have a fair chance to protest the property's appraised value because of the time it takes to receive from the owner a notice regarding the property's appraised value. C.S.H.B. 804 seeks to address this issue by requiring a property owner to send lessees a copy of any notice of appraised value within a certain timeframe and by allowing the lessee to request the appraised value notice be sent by the chief appraiser to the lessee within a certain timeframe with certain exceptions.

### **CRIMINAL JUSTICE IMPACT**

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

### **RULEMAKING AUTHORITY**

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

### **ANALYSIS**

C.S.H.B. 804 amends the Tax Code to specify that the requirement for a property owner to provide a copy of notice regarding a property's appraised value to a person leasing the property who is contractually obligated to reimburse the property owner for taxes imposed on the property applies to any notice of the property's appraised value rather than only notice of the property's reappraisal and to require a property owner to send such notice not later than the 10th day after the date the property owner receives the notice. The bill authorizes the property owner and the lessee to waive such a requirement in the contract and authorizes the lessee to request that the chief appraiser of the appraisal district in which the property is located send the notice to the lessee. The bill requires the chief appraiser to send the notice to the lessee not later than the fifth day after the date the notice is sent to the property owner if the lessee demonstrates that the lessee is contractually obligated to reimburse the property owner for the taxes imposed on the property, except that the chief appraiser is not required to send the notice if the appraisal district in which the property that is the subject of the notice is located posts the property's appraised value on the district's website not later than the fifth day after the date the notice is sent to the property owner.

### **EFFECTIVE DATE**

September 1, 2017.

## COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 804 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

### INTRODUCED

SECTION 1. Section 41.413, Tax Code, is amended by amending Subsection (d) and adding Subsection (e) to read as follows:

(d) A [The] property owner shall [timely] send to a [the] person leasing [the] property under a contract described by this section a copy of any notice of appraised value of the property [the—property's—reappraisal] received by the property owner. The property owner must send the notice not later than the 10th day after the date the property owner receives the notice [Failure of the owner to send a copy of the notice to the person leasing the property does not affect the time within which the person leasing the property may protest the appraised value].

(e) A person authorized by this section to protest before the appraisal review board a determination of the appraised value of property is entitled to file a notice of the protest not later than the 30th day after the date the notice is otherwise required to be filed under this title if the property owner does not comply with the requirements of Subsection (d).

No equivalent provision.

### HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 41.413, Tax Code, is amended by amending Subsection (d) and adding Subsections (e) and (f) to read as follows:

(d) A [The] property owner shall [timely] send to a [the] person leasing [the] property under a contract described by this section a copy of any notice of appraised value of the property [the—property's—reappraisal] received by the property owner. The property owner must send the notice not later than the 10th day after the date the property owner receives the notice. Failure of the property owner to send a copy of the notice to the person leasing the property does not affect the time within which the person leasing the property may protest the appraised value. The property owner and person leasing the property may waive the requirements of this subsection in the contract.

No equivalent provision.

(e) A person leasing property under a contract described by this section may request that the chief appraiser of the appraisal district in which the property is located send the notice described by Subsection (d) to the person. Except as provided by Subsection (f), the chief appraiser shall send the notice to the person leasing the property not later than the fifth day after the date the notice is sent to the property owner if the person demonstrates that the person is contractually obligated to reimburse the property owner for the taxes imposed on the property.

No equivalent provision.

(f) A chief appraiser that receives a request under Subsection (e) is not required to send the notice requested under that subsection if the appraisal district in which the property that is the subject of the notice is located posts the appraised value of the property on the district's Internet website not later than the fifth day after the date the notice is sent to the property owner.

SECTION 2. The changes in law made by this Act apply only to a notice of appraised value **received by** a property owner on or after the effective date of this Act.

SECTION 2. The changes in law made by this Act apply only to a notice of appraised value **sent to** a property owner on or after the effective date of this Act.

SECTION 3. This Act takes effect September 1, 2017.

SECTION 3. Same as introduced version.