

## **BILL ANALYSIS**

S.B. 972  
By: Zaffirini  
Appropriations  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties raise concerns over a property owner whose property is destroyed having to pay property taxes on an assessed value that the property owner does not actually realize. S.B. 972 seeks to address these concerns by providing for the reappraisal of certain real property on which a building completely destroyed by a casualty is located.

### **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**

S.B. 972 amends the Tax Code to authorize a property owner to request the chief appraiser of an appraisal district in which a residence homestead owned and occupied by the property owner is located to reappraise property that is the property owner's residence homestead if a building located on the property is completely destroyed by a casualty. The bill requires the owner to make the request in writing not later than the 180th day after the date the casualty occurs and requires the chief appraiser to reappraise the property if requested to do so by the owner of the property but not if the governing body of a taxing unit has authorized reappraisal of the same property under statutory provisions relating to the reappraisal of property damaged in a disaster area as the result of the same casualty.

S.B. 972 requires the comptroller of public accounts, in consultation with appraisal districts, to develop guidelines for determining the process for reappraising property under the bill's provisions, including for determining whether property is completely destroyed by casualty and for calculating an appropriate value of any residence homestead exemption and appraisal cap applied during or after the tax year for which the property is reappraised. The bill requires the comptroller, not later than September 1, 2018, to develop the required guidelines and to distribute those guidelines to each appraisal district.

S.B. 972 requires the chief appraiser to complete the reappraisal of property as soon as practicable after a request is made and to include the following in the appraisal records: the date the casualty occurred, the appraised value of the property before the casualty occurred, the appraised value of the property immediately after the casualty occurred, and any other information required to be included in the records.

S.B. 972 prescribes the formula by which the amount of the taxes imposed by a taxing unit on

property reappraised for the tax year in which a casualty occurs is calculated. The bill requires the assessor for each taxing unit to take the following actions: if property is reappraised under the bill's provisions, calculate the amount of the tax due on the property as provided by the bill; if the property is reappraised after the amount of the tax due on the property is calculated, recalculate the amount of the tax due on the property and correct the tax roll; and, if the tax bill has been mailed and the tax on the property has not been paid, mail a corrected tax bill to the person in whose name the property is listed on the tax roll or to the person's authorized agent. The bill requires the tax collector for the taxing unit, if the tax on the property has been paid, to refund to the person who paid the tax the amount by which the payment exceeded the tax due.

**EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.