

By: Springer

H.B. No. 27

A BILL TO BE ENTITLED

AN ACT

relating to the consideration of the use of property or a comparable property when appraising property for ad valorem tax purposes.

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

SECTION 1. Section 23.01, Tax Code, is amended by adding Subsections (h), (i), and (j) to read as follows:

(h) Except as provided by Subsection (d), a property must have the same highest and best use as the subject property to be considered a comparable property.

(i) A use restriction on property that prohibits the continuation of the current use of the property, or prohibits a competitive use of the property, by a subsequent owner may not be considered in the determination of the property's highest and best use.

(j) Except as provided by Subsection (d), the determination of the market value of property must include consideration of whether the highest and best use of the property is the continuation of the current use of the property.

SECTION 2. This Act applies only to the appraisal of property for a tax year beginning on or after the effective date of this Act.

SECTION 3. This Act takes effect January 1, 2018.