

By: Bettencourt
(Bohac)

S.B. No. 731

A BILL TO BE ENTITLED

AN ACT

relating to the appeal through binding arbitration of certain appraisal review board orders.

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

SECTION 1. Section 41A.01, Tax Code, is amended to read as follows:

Sec. 41A.01. RIGHT OF APPEAL BY PROPERTY OWNER. As an alternative to filing an appeal under Section 42.01, a property owner is entitled to appeal through binding arbitration under this chapter an appraisal review board order determining a protest filed under Section 41.41(a)(1) or (2) concerning the appraised or market value of property if:

(1) the property qualifies as the owner's residence homestead under Section 11.13; or

(2) the appraised or market value, as applicable, of the property as determined by the order is \$5 [~~\$3~~] million or less.

SECTION 2. Section 41A.03(a), Tax Code, is amended to read as follows:

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

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

1 (2) an arbitration deposit made payable to the
2 comptroller in the amount of:

3 (A) \$450, if the property qualifies as the
4 owner's residence homestead under Section 11.13 and the appraised
5 or market value, as applicable, of the property is \$500,000 or less,
6 as determined by the order;

7 (B) \$500, if the property qualifies as the
8 owner's residence homestead under Section 11.13 and the appraised
9 or market value, as applicable, of the property is more than
10 \$500,000, as determined by the order;

11 (C) \$500, if the property does not qualify as the
12 owner's residence homestead under Section 11.13 and the appraised
13 or market value, as applicable, of the property is \$1 million or
14 less, as determined by the order;

15 (D) \$800, if the property does not qualify as the
16 owner's residence homestead under Section 11.13 and the appraised
17 or market value, as applicable, of the property is more than \$1
18 million but not more than \$2 million, as determined by the order;
19 ~~or~~

20 (E) \$1,050, if the property does not qualify as
21 the owner's residence homestead under Section 11.13 and the
22 appraised or market value, as applicable, of the property is more
23 than \$2 million but not more than \$3 million, as determined by the
24 order; or

25 (F) \$1,550, if the property does not qualify as
26 the owner's residence homestead under Section 11.13 and the
27 appraised or market value, as applicable, of the property is more

1 than \$3 million but not more than \$5 million, as determined by the
2 order.

3 SECTION 3. Section 41A.06(b), Tax Code, is amended to read
4 as follows:

5 (b) To initially qualify to serve as an arbitrator under
6 this chapter, a person must:

7 (1) meet the following requirements, as applicable:

8 (A) be licensed as an attorney in this state; or

9 (B) have:

10 (i) completed at least 30 hours of training
11 in arbitration and alternative dispute resolution procedures from a
12 university, college, or legal or real estate trade association; and

13 (ii) been licensed or certified
14 continuously during the five years preceding the date the person
15 agrees to serve as an arbitrator as:

16 (a) a real estate broker or sales
17 agent [~~salesperson~~] under Chapter 1101, Occupations Code;

18 (b) a real estate appraiser under
19 Chapter 1103, Occupations Code; or

20 (c) a certified public accountant
21 under Chapter 901, Occupations Code; and

22 (2) agree to conduct an arbitration for a fee that is
23 not more than:

24 (A) \$400, if the property qualifies as the
25 owner's residence homestead under Section 11.13 and the appraised
26 or market value, as applicable, of the property is \$500,000 or less,
27 as determined by the order;

1 (B) \$450, if the property qualifies as the
2 owner's residence homestead under Section 11.13 and the appraised
3 or market value, as applicable, of the property is more than
4 \$500,000, as determined by the order;

5 (C) \$450, if the property does not qualify as the
6 owner's residence homestead under Section 11.13 and the appraised
7 or market value, as applicable, of the property is \$1 million or
8 less, as determined by the order;

9 (D) \$750, if the property does not qualify as the
10 owner's residence homestead under Section 11.13 and the appraised
11 or market value, as applicable, of the property is more than \$1
12 million but not more than \$2 million, as determined by the order;
13 [~~or~~]

14 (E) \$1,000, if the property does not qualify as
15 the owner's residence homestead under Section 11.13 and the
16 appraised or market value, as applicable, of the property is more
17 than \$2 million but not more than \$3 million, as determined by the
18 order; or

19 (F) \$1,500, if the property does not qualify as
20 the owner's residence homestead under Section 11.13 and the
21 appraised or market value, as applicable, of the property is more
22 than \$3 million but not more than \$5 million, as determined by the
23 order.

24 SECTION 4. The changes in law made by this Act apply only to
25 a request for binding arbitration under Chapter 41A, Tax Code, that
26 is filed on or after the effective date of this Act. A request for
27 binding arbitration under Chapter 41A, Tax Code, that is filed

1 before the effective date of this Act is governed by the law in
2 effect on the date the request is filed, and the former law is
3 continued in effect for that purpose.

4 SECTION 5. This Act takes effect September 1, 2017.