

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 3, 2017

TO: Honorable Dennis Bonnen, Chair, House Committee on Ways & Means

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2227** by Murphy (Relating to the authority of the chief appraiser of an appraisal district to correct an ad valorem tax appraisal roll.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 25 of the Tax Code, regarding local property tax appraisal, to add to the list of appraisal roll items that may be corrected by the chief appraiser at any time an erroneous denial or cancellation of:

1. a residence homestead exemption if the applicant or recipient is disabled or is age 65 or older;
2. a residence homestead exemption for a surviving spouse of an individual who had an age 65 or older exemption;
3. a residence homestead exemption for a totally disabled veteran or the veteran's surviving spouse; or
4. an exemption for a partially disabled veteran or the veteran's surviving spouse or certain surviving children.

Some erroneously denied or cancelled exemptions would be corrected under the bill that would not have been corrected under current law causing a cost to local taxing units and to the state through the school funding formula. The cost of the exemptions corrected under the bill would not be significantly greater than the cost of exemptions granted under the late application provisions in current law.

The bill would take effect immediately upon enactment, assuming it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD, SJS