H.B. No. 994

AN ACT

relating to appeals to justice courts of certain ad valorem tax determinations.

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

SECTION 1.  Chapter 42, Tax Code, is amended by adding Subchapter B-1 to read as follows:

SUBCHAPTER B-1. APPEALS FROM APPRAISAL REVIEW BOARD DETERMINATIONS IN CERTAIN COUNTIES

Sec. 42.35.  APPLICABILITY OF SUBCHAPTER. This subchapter applies only to the appeal of an order issued by an appraisal review board that is located in a county:

(1)  that has a population of less than 45,500;

(2)  that shares a border with a county that has a population of 1.5 million or more and is within 200 miles of an international border; and

(3)  through which the Atascosa River flows.

Sec. 42.36.  APPEALS TO JUSTICE COURT. (a) As an alternative to bringing an appeal under Section 42.01(a)(1) to a district court as provided by Subchapter B, a property owner may bring the appeal to a justice court if:

(1)  the appeal relates only to a claim of excessive appraisal of property that qualifies as the owner's residence homestead; and

(2)  the appraised value of the property as determined by the appraisal review board and stated in the order being appealed is $500,000 or less.

(b)  Venue of an action brought under Section 42.01(a)(1) in justice court is in any justice precinct in which the property that is the subject of the order being appealed is located.

(c)  If the justice court determines that the justice court does not have jurisdiction of the appeal, the court shall dismiss the appeal. In that event, the property owner may appeal the order to a district court by filing a petition for review with the district court not later than the 30th day after the date of the dismissal.

(d)  Sections 42.21, 42.23, 42.24, and 42.25 apply to an appeal brought under Section 42.01(a)(1) to a justice court in the same manner as those sections apply to an appeal brought under Section 42.01(a)(1) to a district court.

Sec. 42.37.  REPRESENTATION IN JUSTICE COURT. In an appeal brought under Section 42.01(a)(1) to a justice court, an appraisal district may be, but is not required to be, represented by legal counsel.

Sec. 42.38.  EXPIRATION OF SUBCHAPTER. This subchapter expires September 1, 2025.

SECTION 2.  On the expiration of Subchapter B-1, Chapter 42, Tax Code, as added by this Act, the Office of Court Administration of the Texas Judicial System, using existing resources, shall conduct a study on that subchapter's effectiveness in increasing court efficiency and improving property owners' ability to exercise their appeal rights under Chapter 42, Tax Code. Not later than December 1, 2026, the office shall issue a report on the study to the appropriate standing committees of the house of representatives and the senate. The report must include the office's recommendation as to whether the legislature, in the next regular legislative session following the issuance of the report, should enact legislation similar to Subchapter B-1, Chapter 42, Tax Code, as added by this Act.

SECTION 3.  An appeal under Subchapter B-1, Chapter 42, Tax Code, as added by this Act, that is pending on September 1, 2025, is governed by that subchapter as it existed on August 31, 2025, and that law is continued in effect for that purpose.

SECTION 4.  The change in law made by this Act applies to the appeal of an order of an appraisal review board without regard to whether the order was issued before the effective date of this Act.

SECTION 5.  This Act takes effect September 1, 2019.

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    President of the Senate Speaker of the House

I certify that H.B. No. 994 was passed by the House on April 24, 2019, by the following vote:  Yeas 137, Nays 8, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 994 on May 26, 2019, by the following vote:  Yeas 148, Nays 0, 1 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 994 was passed by the Senate, with amendments, on May 15, 2019, by the following vote:  Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

                 Date

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               Governor