

By: Davis of Harris

H.B. No. 768

A BILL TO BE ENTITLED

AN ACT

relating to the reappraisal for ad valorem tax purposes of property damaged in a disaster.

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

SECTION 1. Section 23.02, Tax Code, is amended to read as follows:

Sec. 23.02. REAPPRAISAL OF PROPERTY DAMAGED IN DISASTER AREA. (a) The chief appraiser of an appraisal district that appraises property for ~~[governing body of]~~ a taxing unit that is located partly or entirely inside an area declared to be a disaster area by the governor shall reappraise ~~[may authorize reappraisal of]~~ all property that the Federal Emergency Management Agency or its successor agency estimates to have sustained five percent or greater damage as a result of ~~[damaged in]~~ the disaster at its market value immediately after the disaster.

(a-1) Notwithstanding Subsection (a), a property owner may refuse to have the owner's property reappraised under this section.

(b) The chief appraiser ~~[If a taxing unit authorizes a reappraisal pursuant to this section, the appraisal office]~~ shall complete the reappraisal not later than the 45th day after the date the governor declares the area to be a disaster area ~~[as soon as practicable]~~.

(b-1) Notwithstanding Subsection (b), if the Federal Emergency Management Agency or its successor agency does not

1 complete the damage estimates described by Subsection (a) on or
2 before the deadline for completing the reappraisal prescribed by
3 Subsection (b), the chief appraiser shall complete the reappraisal
4 as soon as practicable after the damage estimates are completed.

5 (b-2) The chief appraiser [~~appraisal office~~] shall include
6 on the appraisal records, in addition to other information required
7 or authorized by law:

8 (1) the date of the disaster; and

9 (2) the appraised value of the property after the
10 disaster [~~, and~~

11 [~~(3) if the reappraisal is not authorized by all~~
12 ~~taxing units in which the property is located, an indication of the~~
13 ~~taxing units to which the reappraisal applies].~~

14 (c) A taxing unit for which property is reappraised [~~that~~
15 ~~authorizes a reappraisal]~~ under this section must pay the appraisal
16 district all the costs of making the reappraisal. If property in
17 the same territory is reappraised for two or more taxing units
18 [~~provide for the reappraisal in the same territory], each unit~~
19 shall share the costs of the reappraisal in that territory in the
20 proportion the total dollar amount of taxes each unit imposed in
21 that territory in the preceding year bears to the total dollar
22 amount of taxes all units [~~providing for reappraisal of that~~
23 ~~territory]~~ imposed in that territory in the preceding year.

24 (d) If property damaged in a disaster is reappraised for a
25 taxing unit as provided by this section, the governing body of the
26 taxing unit shall provide for prorating the taxes on the property
27 for the year in which the disaster occurred. The [~~If the taxes are]~~

1 prorated[7] taxes due on the property are determined as follows:
2 the taxes on the property based on its value on January 1 of that
3 year are multiplied by a fraction, the denominator of which is 365
4 and the numerator of which is the number of days before the date the
5 disaster occurred; the taxes on the property based on its
6 reappraised value are multiplied by a fraction, the denominator of
7 which is 365 and the numerator of which is the number of days,
8 including the date the disaster occurred, remaining in the year;
9 and the total of the two amounts is the amount of taxes on the
10 property for the year.

11 (e) The comptroller may adopt rules to implement and
12 administer this section.

13 SECTION 2. The change in law made by this Act applies only
14 to the reappraisal of property located in an area that is declared
15 to be a disaster area by the governor on or after the effective date
16 of this Act. The reappraisal of property located in an area that
17 was declared to be a disaster area by the governor before the
18 effective date of this Act is governed by the law as it existed
19 immediately before the effective date of this Act, and that law is
20 continued in effect for that purpose.

21 SECTION 3. This Act takes effect immediately if it receives
22 a vote of two-thirds of all the members elected to each house, as
23 provided by Section 39, Article III, Texas Constitution. If this
24 Act does not receive the vote necessary for immediate effect, this
25 Act takes effect September 1, 2019.