

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Guillen, et al.

H.B. No. 994

A BILL TO BE ENTITLED

AN ACT

relating to the procedures for protests and appeals of certain ad  
valorem tax determinations.

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

SECTION 1. Section 41.45(b), Tax Code, is amended to read as  
follows:

(b) A property owner initiating a protest is entitled to  
appear to offer evidence or argument. A property owner may offer  
evidence or argument by affidavit without personally appearing and  
may appear by telephone conference call to offer argument. A  
property owner who appears by telephone conference call must offer  
any evidence by affidavit. A property owner must submit an  
affidavit described by this subsection to the board hearing the  
protest before the board begins the hearing on the protest. On  
receipt of an affidavit, the board shall notify the chief  
appraiser. The chief appraiser ~~[may inspect the affidavit and]~~ is  
entitled to a copy of the affidavit on request. The board and the  
chief appraiser shall review the evidence or argument provided by  
the property owner before the hearing on the protest.

SECTION 2. 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

1 appeal brought under Section 42.01(a)(1) to a justice court in the  
2 same manner as those sections apply to an appeal brought under  
3 Section 42.01(a)(1) to a district court.

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

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

10 SECTION 3. On the expiration of Subchapter B-1, Chapter 42,  
11 Tax Code, as added by this Act, the Office of Court Administration  
12 of the Texas Judicial System, using existing resources, shall  
13 conduct a study on that subchapter's effectiveness in increasing  
14 court efficiency and improving property owners' ability to exercise  
15 their appeal rights under Chapter 42, Tax Code. Not later than  
16 December 1, 2026, the office shall issue a report on the study to  
17 the appropriate standing committees of the house of representatives  
18 and the senate. The report must include the office's  
19 recommendation as to whether the legislature, in the next regular  
20 legislative session following the issuance of the report, should  
21 enact legislation similar to Subchapter B-1, Chapter 42, Tax Code,  
22 as added by this Act.

23 SECTION 4. An appeal under Subchapter B-1, Chapter 42, Tax  
24 Code, as added by this Act, that is pending on September 1, 2025, is  
25 governed by that subchapter as it existed on August 31, 2025, and  
26 that law is continued in effect for that purpose.

27 SECTION 5. The change in law made by this Act applies to the

H.B. No. 994

1 appeal of an order of an appraisal review board without regard to  
2 whether the order was issued before the effective date of this Act.

3 SECTION 6. This Act takes effect September 1, 2019.

ADOPTED

MAY 15 2019

*Latoy Spaw*  
Secretary of the Senate

By: *Peter P. Flores*

H.B. No. 994

Substitute the following for H.B. No. 994:

By: *J. J. Harris*

C.S. H.B. No. 994

A BILL TO BE ENTITLED

1 AN ACT

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

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

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

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

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

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

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

16 (3) through which the Atascosa River flows.

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

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

24 (2) the appraised value of the property as determined

1 by the appraisal review board and stated in the order being appealed  
2 is \$500,000 or less.

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

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

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

16 Sec. 42.37. REPRESENTATION IN JUSTICE COURT. In an appeal  
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18 district may be, but is not required to be, represented by legal  
19 counsel.

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

22 SECTION 2. On the expiration of Subchapter B-1, Chapter 42,  
23 Tax Code, as added by this Act, the Office of Court Administration  
24 of the Texas Judicial System, using existing resources, shall  
25 conduct a study on that subchapter's effectiveness in increasing  
26 court efficiency and improving property owners' ability to exercise  
27 their appeal rights under Chapter 42, Tax Code. Not later than

1 December 1, 2026, the office shall issue a report on the study to  
2 the appropriate standing committees of the house of representatives  
3 and the senate. The report must include the office's  
4 recommendation as to whether the legislature, in the next regular  
5 legislative session following the issuance of the report, should  
6 enact legislation similar to Subchapter B-1, Chapter 42, Tax Code,  
7 as added by this Act.

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

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

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

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 15, 2019**

**TO:** Honorable Dennis Bonnen, Speaker of the House, House of Representatives

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB994** by Guillen (Relating to appeals to justice courts of certain ad valorem tax determinations.), **As Passed 2nd House**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would add Subchapter B-1, relating to appeals from appraisal review board determinations in certain counties, to Chapter 42 of the Tax Code, to provide that in certain counties a property owner may appeal an appraisal review board order, in specified circumstances, to a justice court as an alternative to bringing an appeal to a district court. The subchapter would apply to a county that has a population of less than 45,000, 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 through which the Atascosa River flows. An appeal may be brought to a justice court if the appeal relates only to a claim of excessive appraisal of property that qualifies as the owner's residence homestead and the appraised value of the property as determined by the appraisal review board as stated in the order being appealed is \$500,000 or less.

The bill would not affect taxable property values, tax rates, collection rates, or any other variable which might affect the revenues of units of local governments or the state.

The bill would take effect September 1, 2019 and apply to the appeal of an order of an appraisal review board without regard to whether the order was issued before the effective date of the bill.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** WP, KK, SD, SJS



**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 10, 2019**

**TO:** Honorable Paul Bettencourt, Chair, Senate Committee on Property Tax

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB994** by Guillen (relating to appeals to justice courts of certain ad valorem tax determinations.), **Committee Report 2nd House, Substituted**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would add Subchapter B-1, relating to appeals from appraisal review board determinations in certain counties, to Chapter 42 of the Tax Code, to provide that in certain counties a property owner may appeal an appraisal review board order, in specified circumstances, to a justice court as an alternative to bringing an appeal to a district court. The subchapter would apply to a county that has a population of less than 45,000, 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 through which the Atascosa River flows. An appeal may be brought to a justice court if the appeal relates only to a claim of excessive appraisal of property that qualifies as the owner's residence homestead and the appraised value of the property as determined by the appraisal review board as stated in the order being appealed is \$500,000 or less.

The bill would not affect taxable property values, tax rates, collection rates, or any other variable which might affect the revenues of units of local governments or the state.

The bill would take effect September 1, 2019 and apply to the appeal of an order of an appraisal review board without regard to whether the order was issued before the effective date of the bill.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** WP, KK, SD, SJS

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 8, 2019**

**TO:** Honorable Paul Bettencourt, Chair, Senate Committee on Property Tax

**FROM:** John McGeady, Assistant Director     Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB994** by Guillen (Relating to the procedures for protests and appeals of certain ad valorem tax determinations.), **As Engrossed**

<b>No fiscal implication to the State is anticipated.</b>
---

The bill would amend Subsection 41.45(b) of the Tax Code to provide that the appraisal review board and the chief appraiser shall review the evidence or argument provided by the property owner before the appraisal review board hearing on the protest.

The bill would add Subchapter B-1, relating to appeals from appraisal review board determinations in certain counties, to Chapter 42 of the Tax Code, to provide that in certain counties a property owner may appeal an appraisal review board order in specified circumstances to a justice court as an alternative to bringing an appeal to a district court. The subchapter would apply to a county that has a population of less than 45,000, 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 through which the Atascosa River flows. An appeal may be brought to a justice court if the appeal relates only to a claim of excessive appraisal of property that qualifies as the owner's residence homestead and the appraised value of the property as determined by the appraisal review board as stated in the order being appealed is \$500,000 or less.

The bill would not affect taxable property values, tax rates, collection rates, or any other variable which might affect the revenues of units of local governments or the state.

The bill would take effect September 1, 2019 and apply to the appeal of an order of an appraisal review board without regard to whether the order was issued before the effective date of the bill.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** WP, KK, SD, SJS

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**April 12, 2019**

**TO:** Honorable Dustin Burrows, Chair, House Committee on Ways & Means

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB994** by Guillen (relating to the procedures for protests and appeals of certain ad valorem tax determinations.), **Committee Report 1st House, Substituted**

<b>No fiscal implication to the State is anticipated.</b>
---

The bill would amend Subsection 41.45(b) of the Tax Code to provide that the appraisal review board and the chief appraiser shall review the evidence or argument provided by the property owner before the appraisal review board hearing on the protest.

The bill would add Subchapter B-1, relating to appeals from appraisal review board determinations in certain counties, to Chapter 42 of the Tax Code, to provide that in certain counties a property owner may appeal an appraisal review board order in specified circumstances to a justice court as an alternative to bringing an appeal to a district court. The subchapter would apply to a county that has a population of less than 45,000, 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 through which the Atascosa River flows. An appeal may be brought to a justice court if the appeal relates only to a claim of excessive appraisal of property that qualifies as the owner's residence homestead and the appraised value of the property as determined by the appraisal review board as stated in the order being appealed is \$500,000 or less.

The bill would not affect taxable property values, tax rates, collection rates, or any other variable which might affect the revenues of units of local governments or the state.

The bill would take effect September 1, 2019 and apply to the appeal of an order of an appraisal review board without regard to whether the order was issued before the effective date of the bill.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** WP, KK, SD, SJS

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**March 4, 2019**

**TO:** Honorable Dustin Burrows, Chair, House Committee on Ways & Means

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB994** by Guillen (Relating to the procedures for protests and appeals of certain ad valorem tax determinations.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend Subsection 41.45(b) of the Tax Code to provide that the appraisal review board and the chief appraiser shall review the evidence or argument provided by the property owner before the appraisal review board hearing on the protest.

The bill would add Subchapter B-1, relating to appeals from appraisal review board determinations in certain counties, to Chapter 42 of the Tax Code, to provide that in certain counties a property owner may appeal an appraisal review board order in specified circumstances to a justice court as an alternative to bringing an appeal to a district court. The subchapter would apply to a county that has a population of less than 45,000, 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 through which the Atascosa River flows. An appeal may be brought to a justice court if the appeal relates only to a determination of appraised value or eligibility for an exemption and the tax amount in dispute is \$5,000 or less.

The bill would not affect taxable property values, tax rates, collection rates, or any other variable which might affect the revenues of units of local governments or the state.

The bill would take effect September 1, 2019 and apply to the appeal of an order of an appraisal review board without regard to whether the order was issued before the effective date of the bill.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** WP, KK, SD, SJS

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**TAX/FEE EQUITY NOTE**

**86TH LEGISLATIVE REGULAR SESSION**

**April 13, 2019**

**TO:** Honorable Dustin Burrows, Chair, House Committee on Ways & Means

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB994** by Guillen (relating to the procedures for protests and appeals of certain ad valorem tax determinations.), **Committee Report 1st House, Substituted**

Because the bill would not create or impact a state tax or fee, no comment from this office is required by the rules of the House as to the general effects of the proposal on the distribution of tax and fee burdens among individuals and businesses.

**Source Agencies:**

**LBB Staff:** WP, KK