

Amend SB 1315 by adding the following appropriately numbered SECTION to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. (a) Section 1.12(d), Tax Code, is amended to read as follows:

(d) For purposes of this section, the appraisal ratio of a homestead to which Section 23.23 applies or of real property to which Section 23.231 applies is the ratio of the property's market value as determined by the appraisal district or appraisal review board, as applicable, to the market value of the property according to law. The appraisal ratio is not calculated according to the appraised value of the property as limited by Section 23.23 or 23.231.

(b) Subchapter B, Chapter 23, Tax Code, is amended by adding Section 23.231 to read as follows:

Sec. 23.231. TEMPORARY LIMITATION ON APPRAISED VALUE OF CERTAIN REAL PROPERTY IN SPECIFIED AREAS. (a) In this section:

(1) "Census tract" means the geographic area identified as a "tract" on the 2010 Census TIGER/Line Shapefiles, prepared by the federal Bureau of the Census for the Twenty-third Decennial Census of the United States, enumerated as of April 1, 2010.

(2) "Eligible property" means real property that:

(A) is:

(i) a residence homestead; or

(ii) an undeveloped lot, subject to

Subsection (f); and

(B) is located in one of the following census tracts:

(i) Dallas County tract 002701 or 002702;

or

(ii) Harris County tract 210900, 211000, 211100, 211200, or 211700.

(3) "Residence homestead" has the meaning assigned by Section 11.13.

(b) The governing body of a municipality, county, or school district may by official action adopt a limitation as prescribed by

this section on the appraised value of all eligible property located in the taxing unit adopting the limitation. The governing body of a municipality, county, or school district may not repeal, rescind, or take other action to negate the adoption of the limitation once adopted under this subsection.

(c) Notwithstanding the requirements of Sections 23.23 and 25.18, and regardless of whether the appraisal office has appraised eligible property and determined the market value of the property for the tax year, the appraised value of the property for a tax year to which a limitation under this section applies is, for the taxing unit that adopted the limitation, the lesser of:

(1) the appraised value of the property as otherwise determined by law; or

(2) the appraised value of the property for the tax year preceding the tax year in which the limitation adopted by that taxing unit first applies, as provided by Subsection (e).

(d) When appraising eligible property, the chief appraiser shall:

(1) appraise the property as otherwise determined by law; and

(2) include in the appraisal records:

(A) the appraised value of the property determined under Subdivision (1); and

(B) the amount determined under Subsection (c)(2) applicable to each taxing unit that has adopted the limitation.

(e) Except as provided by Subsection (f), a limitation once adopted by a governing body under this section applies to each tax year:

(1) beginning with:

(A) the tax year in which the governing body adopts the limitation, if the governing body adopts the limitation on or before April 1; or

(B) the tax year following the tax year in which the governing body adopts the limitation, if the governing body adopts the limitation after April 1; and

(2) ending with the 2037 tax year.

(f) The limitation adopted under this section as applied to a vacant lot expires on the earlier of:

(1) January 1 following the end of the fifth tax year for which the limitation applies, unless:

(A) a single-family residence has been constructed on the property; and

(B) the owner of the residence has qualified the property as the owner's residence homestead; or

(2) January 1 of the tax year in which the vacant lot is:

(A) developed for a purpose other than as a single-family residence; or

(B) developed as a single-family residence but not qualified as the residence homestead of an owner of the property.

(g) This section expires January 1, 2038.

(c) Section 25.19(b), Tax Code, as effective January 1, 2022, is amended to read as follows:

(b) The chief appraiser shall separate real from personal property and include in the notice for each:

(1) a list of the taxing units in which the property is taxable;

(2) the appraised value of the property in the preceding year;

(3) the taxable value of the property in the preceding year for each taxing unit taxing the property;

(4) the appraised value of the property for the current year, the kind and amount of each exemption and partial exemption, if any, approved for the property for the current year and for the preceding year, and, if an exemption or partial exemption that was approved for the preceding year was canceled or reduced for the current year, the amount of the exemption or partial exemption canceled or reduced;

(4-a) a statement of whether the property qualifies for the limitation on appraised value provided by Section 23.231;

(5) in italic typeface, the following statement: "The Texas Legislature does not set the amount of your local

taxes. Your property tax burden is decided by your locally elected officials, and all inquiries concerning your taxes should be directed to those officials";

(6) a detailed explanation of the time and procedure for protesting the value;

(7) the date and place the appraisal review board will begin hearing protests; and

(8) a brief explanation that the governing body of each taxing unit decides whether or not taxes on the property will increase and the appraisal district only determines the value of the property.

(d) Section 25.19(g), Tax Code, is amended to read as follows:

(g) By April 1 or as soon thereafter as practicable if the property is a single-family residence that qualifies for an exemption under Section 11.13, or by May 1 or as soon thereafter as practicable in connection with any other property, the chief appraiser shall deliver a written notice to the owner of each property not included in a notice required to be delivered under Subsection (a), if the property was reappraised in the current tax year, if the ownership of the property changed during the preceding year, or if the property owner or the agent of a property owner authorized under Section 1.111 makes a written request for the notice. The chief appraiser shall separate real from personal property and include in the notice for each property:

(1) the appraised value of the property in the preceding year;

(2) the appraised value of the property for the current year and the kind of each partial exemption, if any, approved for the current year;

(2-a) a statement of whether the property qualifies for the limitation on appraised value provided by Section 23.231;

(3) a detailed explanation of the time and procedure for protesting the value; and

(4) the date and place the appraisal review board will begin hearing protests.

(e) Section 41.41(a), Tax Code, is amended to read as

follows:

(a) A property owner is entitled to protest before the appraisal review board the following actions:

(1) determination of the appraised value of the owner's property or, in the case of land appraised as provided by Subchapter C, D, E, or H, Chapter 23, determination of its appraised or market value;

(2) unequal appraisal of the owner's property;

(3) inclusion of the owner's property on the appraisal records;

(4) denial to the property owner in whole or in part of a partial exemption;

(4-a) determination that the owner's property does not qualify for the limitation on appraised value provided by Section 23.231;

(5) determination that the owner's land does not qualify for appraisal as provided by Subchapter C, D, E, or H, Chapter 23;

(6) identification of the taxing units in which the owner's property is taxable in the case of the appraisal district's appraisal roll;

(7) determination that the property owner is the owner of property;

(8) a determination that a change in use of land appraised under Subchapter C, D, E, or H, Chapter 23, has occurred; or

(9) any other action of the chief appraiser, appraisal district, or appraisal review board that applies to and adversely affects the property owner.

(f) Section 42.26(d), Tax Code, is amended to read as follows:

(d) For purposes of this section, the value of the property subject to the suit and the value of a comparable property or sample property that is used for comparison must be the market value determined by the appraisal district when the property is [~~a residence homestead~~] subject to the limitation on appraised value imposed by Section 23.23 or 23.231.

(g) This section of this Act applies only to the appraisal of real property for ad valorem tax purposes for a tax year that begins on or after January 1, 2022.