

By: Lucio III

H.B. No. 2014

A BILL TO BE ENTITLED

AN ACT

relating to ad valorem taxation.

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

SECTION 1. Section 201.063(a), Labor Code, is amended to read as follows:

(a) In this subtitle, "employment" does not include:

(1) service in the employ of a political subdivision or of an instrumentality of a political subdivision that is wholly owned by one or more political subdivisions:

(A) as an elected official;

(B) as a member of a legislative body;

(C) as a member of the judiciary;

(D) as a temporary employee in case of fire, storm, snow, earthquake, flood, or similar emergency;

(E) in a position that is designated under law as a major nontenured policy-making or advisory position or a policy-making or advisory position that ordinarily does not require more than eight hours of service each week; ~~or~~

(F) as an election official or worker if the remuneration received by the individual during the calendar year is less than \$1,000; or

(G) as a member of an appraisal review board established for an appraisal district under Section 6.41, Tax Code;

(2) service in the employ of a foreign government,

1 including service as a consular or other officer or employee or as a
2 nondiplomatic representative;

3 (3) service in the employ of an instrumentality wholly
4 owned by a foreign government if:

5 (A) the service is similar to service performed
6 in a foreign country by an employee of the United States government
7 or an instrumentality of that government; and

8 (B) the United States secretary of state has
9 certified to the United States secretary of the treasury that the
10 foreign government grants an equivalent exemption for similar
11 services performed in the foreign country by an employee of the
12 United States government or an instrumentality of the United States
13 government;

14 (4) service in the employ of the United States
15 government or an instrumentality of the United States exempt under
16 the United States Constitution from the contributions imposed by
17 this subtitle; or

18 (5) service described by Subdivisions (1)-(3)
19 performed in the employ of an Indian tribe.

20 SECTION 2. Section 23.55(e), Tax Code, is amended to read as
21 follows:

22 (e) Subject to Section 23.551, a determination that a change
23 in use of the land has occurred is made by the chief appraiser. The
24 chief appraiser shall deliver a notice of the determination to the
25 owner of the land as soon as possible after making the determination
26 but not later than the 180th day after the earlier of the date the
27 owner provides notice of the change of use to the appraisal office

1 under Section 23.54(h) or the date the chief appraiser discovers
2 the change of use. The sanctions provided by Subsection (a) do not
3 apply if the chief appraiser fails to deliver notice in the time
4 provided by this subsection. The chief appraiser [~~and~~] shall
5 include in the notice an explanation of the owner's right to protest
6 the determination. If the owner does not file a timely protest or
7 if the final determination of the protest is that the additional
8 taxes are due, the assessor for each taxing unit shall prepare and
9 deliver a bill for the additional taxes plus interest as soon as
10 practicable. The taxes and interest are due and become delinquent
11 and incur penalties and interest as provided by law for ad valorem
12 taxes imposed by the taxing unit if not paid before the next
13 February 1 that is at least 20 days after the date the bill is
14 delivered to the owner of the land.

15 SECTION 3. Section 25.02, Tax Code, is amended by adding
16 Subsections (c), (d), (e), and (f) to read as follows:

17 (c) Each appraisal record must have a unique account number.
18 If an appraisal district changes the account number of an appraisal
19 record, the appraisal district must provide notice of the change to
20 the property owner in the next notice of appraised value of the
21 property included in the record that is delivered to the property
22 owner under Section 25.19.

23 (d) This subsection does not apply to an appraisal record
24 for a residential property or for an improvement only. On the
25 written request of a property owner, the chief appraiser shall
26 combine contiguous parcels of the owner's real property into a
27 single appraisal record. On the written request of a property

1 owner, the chief appraiser shall separate identifiable segments of
2 the owner's parcel of real property into individual appraisal
3 records.

4 (e) A property owner must make a request under Subsection
5 (d) before January 1 of the tax year for which the requested change
6 to the appraisal records is to be made. The request must contain a
7 metes and bounds description or other legal description sufficient
8 to describe the property subject to the request.

9 (f) If a chief appraiser refuses to combine parcels or
10 separate a parcel on request of a property owner under Subsection
11 (d), the appraisal review board may order the requested change on a
12 motion filed by the property owner under Section 25.25 or a protest
13 filed under Chapter 41.

14 SECTION 4. Section 25.19, Tax Code, is amended by amending
15 Subsection (k) and adding Subsection (k-1) to read as follows:

16 (k) Notwithstanding any other provision of this section,
17 the chief appraiser may not deliver a written notice concerning
18 property that is required to be rendered or reported under Chapter
19 22 until:

20 (1) ~~after~~ the applicable deadline for filing the
21 rendition statement or property report has expired; and

22 (2) the chief appraiser has determined the appraised
23 value of the property for that tax year, if the rendition statement
24 or property report has been timely filed under Section 22.23.

25 (k-1) A chief appraiser may not deliver a corrected,
26 amended, or additional notice of appraised value of property
27 described by Subsection (k)(2) for a tax year that increases the

1 appraised value of the property to an amount that is greater than
2 the amount stated in the original notice unless the purpose of the
3 notice is to correct a clerical error or to include omitted
4 property.

5 SECTION 5. Section 41.44(d), Tax Code, is amended to read as
6 follows:

7 (d) A notice of protest is sufficient if it identifies the
8 protesting property owner, including a person claiming an ownership
9 interest in the property even if that person is not listed on the
10 appraisal records as an owner of the property, identifies the
11 property that is the subject of the protest, and indicates apparent
12 dissatisfaction with some determination of the appraisal
13 office. The notice need not be on an official form, but the
14 comptroller shall prescribe a form that provides for more detail
15 about the nature of the protest. The form must permit a property
16 owner to include each property in the appraisal district that is the
17 subject of a protest. The form must permit a property owner to
18 request that the protest be heard by a special panel established
19 under Section 6.425 if the protest will be determined by an
20 appraisal review board to which that section applies and the
21 property is included in a classification described by Section
22 6.425(b). The form must permit a property owner to request that the
23 protest be heard by a single-member panel authorized by Section
24 41.45(b-4). The comptroller, each appraisal office, and each
25 appraisal review board shall make the forms readily available and
26 deliver one to a property owner on request.

27 SECTION 6. Section 41.45, Tax Code, is amended by adding

1 Subsections (b-4) and (b-5) and amending Subsections (d), (d-2),
2 and (d-3) to read as follows:

3 (b-4) An appraisal review board shall sit in a single-member
4 panel to conduct a protest hearing under Subsection (b-1) or a
5 protest hearing involving a residence homestead if:

6 (1) the property owner requests that the hearing be
7 conducted by a single-member panel:

8 (A) in the notice of protest; or

9 (B) in writing submitted to the board not later
10 than the 10th day before the date of the hearing; or

11 (2) the board proposes that the hearing be conducted
12 by the single-member panel and the property owner agrees.

13 (b-5) If the recommendation of a single-member panel that
14 conducts a hearing under Subsection (b-4) is not accepted by the
15 board, the board may refer the matter for rehearing to a
16 single-member panel composed of a member who did not hear the
17 original protest or the board may determine the protest.

18 (d) This subsection does not apply to a single-member panel
19 established under Subsection (b-4) of this section or a special
20 panel established under Section 6.425. An appraisal review board
21 consisting of more than three members may sit in panels of not fewer
22 than three members to conduct protest hearings. If the
23 recommendation of a panel is not accepted by the board, the board
24 may refer the matter for rehearing to a panel composed of members
25 who did not hear the original protest or, if there are not at least
26 three members who did not hear the original protest, the board may
27 determine the protest.

1 (d-2) The determination of a protest heard by a panel under
2 Subsection (b-4), (d), or (d-1) must be made by the board.

3 (d-3) The board must deliver notice of a hearing or meeting
4 to determine a protest heard by a panel, or to rehear a protest,
5 under Subsection (b-4), (d), or (d-1) in accordance with the
6 provisions of this subchapter.

7 SECTION 7. Section 41.47(c), Tax Code, is amended to read as
8 follows:

9 (c) If the protest is of the determination of the appraised
10 value of the owner's property, the appraisal review board must
11 state in the order the appraised value of the property, listed
12 separately in the case of real property as the appraised value of
13 the land and the appraised value of any improvement to the land:

14 (1) as shown in the appraisal records submitted to the
15 board by the chief appraiser under Section 25.22 or 25.23; and

16 (2) as finally determined by the board.

17 SECTION 8. Section 41.67(d), Tax Code, is amended to read as
18 follows:

19 (d) Information [~~that was previously~~] requested under
20 Section 41.461 by the protesting party [~~that was not delivered to~~
21 ~~the protesting party at least 14 days before the scheduled or~~
22 ~~postponed hearing~~] may not be used or offered in any form or for any
23 purpose by the chief appraiser as evidence in the hearing,
24 including as a document or through argument or testimony, unless
25 the chief appraiser delivers the information to the protesting
26 party not later than:

27 (1) the 14th day before the date of the scheduled or

1 postponed hearing, if the request is made before the 14th day before
2 the date of the hearing; or

3 (2) the day before the date of the scheduled or
4 postponed hearing, if the request is made after the 14th but on or
5 before the 5th day before the date of the hearing. [~~This subsection~~
6 ~~does not apply to information offered to rebut evidence or argument~~
7 ~~presented at the hearing by the protesting party or that party's~~
8 ~~designated agent.]~~

9 SECTION 9. Section 42.01, Tax Code, is amended by adding
10 Subsection (a-1) to read as follows:

11 (a-1) A property owner may not appeal separately the portion
12 of an order of an appraisal review board determining the appraised
13 value of land or the portion of the order determining the appraised
14 value of an improvement to the land if the order determined the
15 appraised value of both.

16 SECTION 10. Section 42.015(a), Tax Code, is amended to read
17 as follows:

18 (a) A person leasing property who is contractually
19 obligated to reimburse the property owner for taxes imposed on the
20 property is entitled to appeal an order of the appraisal review
21 board determining a protest relating to the property:

22 (1) brought by the person under Section 41.413; or
23 (2) brought by the property owner if the property
24 owner does not appeal the order.

25 SECTION 11. Section 42.23(e), Tax Code, is amended to read
26 as follows:

27 (e) [~~For purposes of Subsection (d), a property owner may~~

1 ~~designate a cause of action under Section 42.25 or 42.26 as the~~
2 ~~basis for an appeal, but may not designate a cause of action under~~
3 ~~both sections as the basis for the appeal. Discovery regarding a~~
4 ~~cause of action that is not specifically designated by the property~~
5 ~~owner under Subsection (d) shall be conducted as provided by the~~
6 ~~Texas Rules of Civil Procedure.] A [The] court may not enter an~~
7 ~~order, including a protective order [to modify the provisions of~~
8 ~~this subsection] under Rule 192.6 of the Texas Rules of Civil~~
9 ~~Procedure, that conflicts with Subsection (d).~~

10 SECTION 12. Section 42.43, Tax Code, is amended by adding
11 Subsection (a-1) and amending Subsection (g) to read as follows:

12 (a-1) This subsection applies only to a property owner who
13 pays the taxes subject to an appeal before the delinquency date but
14 not later than the fifth day after the date the chief appraiser
15 certifies a correction to the appraisal roll under Section 42.41.
16 If the final determination of an appeal decreases a property
17 owner's tax liability and the chief appraiser certifies the
18 correction to the appraisal roll under that section before the
19 property owner has paid the property owner's taxes, the taxing unit
20 shall refund to the property owner the difference between the
21 amount of taxes paid and the amount of taxes for which the property
22 owner is liable.

23 (g) If a form prescribed by the comptroller under Subsection
24 (i) is filed with a taxing unit before the 21st day after the final
25 determination of an appeal that requires a refund be made, or before
26 the 21st day after the date the chief appraiser certifies the
27 correction to the appraisal roll in the case of a refund under

1 Subsection (a-1), the taxing unit shall send the refund to the
2 person and address designated on the form.

3 SECTION 13. Section 201.063(a), Labor Code, as amended by
4 this Act, applies only to a claim for unemployment compensation
5 benefits that is filed with the Texas Workforce Commission on or
6 after the effective date of this Act.

7 SECTION 14. Section 23.55(e), Tax Code, as amended by this
8 Act, applies only to a change of use of land that occurs on or after
9 the effective date of this Act.

10 SECTION 15. Section 25.19, Tax Code, as amended by this Act,
11 applies only to a notice of appraised value for a tax year beginning
12 on or after the effective date of this Act.

13 SECTION 16. Sections 41.44(d), 41.45, 41.47(c), and
14 41.67(d), Tax Code, as amended by this Act, apply only to a protest
15 under Chapter 41, Tax Code, for which a notice of protest is filed
16 on or after the effective date of this Act.

17 SECTION 17. Section 42.01(a-1), Tax Code, as added by this
18 Act, and Sections 42.015(a), 42.23(e), and 42.43, Tax Code, as
19 amended by this Act, apply only to an appeal under Chapter 42, Tax
20 Code, that is filed on or after the effective date of this Act.

21 SECTION 18. This Act takes effect January 1, 2022.