

By: Geren

H.B. No. 3995

A BILL TO BE ENTITLED

AN ACT

relating to the award of attorney's fees to a prevailing property owner in a judicial appeal of certain ad valorem tax determinations.

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

SECTION 1. Section 42.29, Tax Code, is amended to read as follows:

Sec. 42.29. ATTORNEY'S FEES. (a) A property owner who prevails in an appeal to the court under this chapter of a determination of a motion under Chapter 25 or of a protest under Chapter 41 [~~Section 42.25 or 42.26, in an appeal to the court of a determination of an appraisal review board on a motion filed under Section 25.25, or in an appeal to the court of a determination of an appraisal review board of a protest of the denial in whole or in part of an exemption under Section 11.17, 11.22, 11.23, 11.231, or 11.24~~] may be awarded reasonable attorney's fees. Except as provided by Subsection (c) and subject to Subsection (b), the [~~The~~] amount of the award may not exceed the greater of:

(1) \$25,000 [~~\$15,000~~]; or

(2) 50 [~~20~~] percent of the total amount by which the property owner's tax liability is reduced as a result of the appeal.

(b) Except as provided by [~~Notwithstanding~~] Subsection (c) [~~(a)~~], the amount of an award of attorney's fees to the prevailing property owner may not exceed [~~the lesser of:~~

1 ~~[(1) \$100,000; or~~
2 ~~[(2)]~~ the total amount by which the property owner's tax
3 liability is reduced as a result of the appeal.

4 (c) The amount of an award of attorney's fees to the
5 prevailing property owner is not subject to a limitation imposed by
6 this section if:

7 (1) the property owner prevails in an appeal under
8 Section 42.25 or 42.26; and

9 (2) the property owner qualifies the property as the
10 owner's residence homestead.

11 SECTION 2. The change in law made by this Act applies only
12 to an appeal filed under Chapter 42, Tax Code, on or after the
13 effective date of this Act. An appeal filed under Chapter 42, Tax
14 Code, before the effective date of this Act is governed by the law
15 in effect when the appeal was filed, and the former law is continued
16 in effect for that purpose.

17 SECTION 3. This Act takes effect immediately if it receives
18 a vote of two-thirds of all the members elected to each house, as
19 provided by Section 39, Article III, Texas Constitution. If this
20 Act does not receive the vote necessary for immediate effect, this
21 Act takes effect September 1, 2021.