AN ACT

relating to the property tax appraisal system, including an
entitlement to a tax exemption based on the appraised value of
certain renewable energy devices.

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

SECTION 1. Section 5.03, Tax Code, is amended by adding
Subsection (d) to read as follows:

(d) Notwithstanding any other provision of this title, the
comptroller may, after providing notice, require a document,
payment, notice, report, or other item required to be submitted to
the comptroller under this title to be submitted electronically and
may send a document, payment, notice, report or other item the
comptroller is required to send under this title electronically.
The comptroller may adopt rules to administer this subsection,
including rules specifying the format of an item electronically
submitted to or sent by the comptroller.

SECTION 2. Section 5.041, Tax Code, is amended by amending
Subsections (b) and (e-1) and adding Subsection (i) to read as
follows:

(b) A member of the appraisal review board established for
an appraisal district must complete the course established under
Subsection (a). The course must provide at least eight hours of
classroom or distance training and education. A member of the
appraisal review board may not participate in a hearing conducted
by the board unless the person has completed the course established under Subsection (a) and received a certificate of course completion.

(e-1) In addition to the course established under Subsection (a), the comptroller shall approve curricula and provide materials for use in a continuing education course for members of an appraisal review board. The course must provide at least four hours of classroom or distance training and education. The curricula and materials must include information regarding:

1. the cost, income, and market data comparison methods of appraising property;
2. the appraisal of business personal property;
3. the determination of capitalization rates for property appraisal purposes;
4. the duties of an appraisal review board;
5. the requirements regarding the independence of an appraisal review board from the board of directors and the chief appraiser and other employees of the appraisal district;
6. the prohibitions against ex parte communications applicable to appraisal review board members;
7. the Uniform Standards of Professional Appraisal Practice;
8. the duty of the appraisal district to substantiate the district’s determination of the value of property;
9. the requirements regarding the equal and uniform appraisal of property;
10. the right of a property owner to protest the
appraisal of the property as provided by Chapter 41; and
(11) a detailed explanation of each of the actions
described by Sections 25.25, 41.41(a), 41.411, 41.412, 41.413,
41.42, and 41.43 so that members are fully aware of each of the
grounds on which a property appraisal can be appealed.

(i) The comptroller may adopt rules to implement this
section, including rules establishing criteria for course
availability and for demonstrating course completion.

SECTION 3. Section 6.035(a-1), Tax Code, is amended to read
as follows:

(a-1) An individual is ineligible to serve on the board of
directors of an appraisal district [board of directors] if the
individual:

(1) has served as a member of the board of directors
for all or part of five terms, unless:
(A) the individual was the county
assessor-collector at the time the individual served as a board
member; or

(B) the appraisal district is established in a
county with a population of less than 120,000;

(2) has engaged in the business of appraising property
for compensation for use in proceedings under this title at any time
during the preceding three years;

(3) has engaged in the business [or] of representing
property owners for compensation in proceedings under this title in
the appraisal district at any time during the preceding three
years; or
S.B. No. 63

(4) has been an employee of the appraisal district at
any time during the preceding three years.

SECTION 4. Section 6.054, Tax Code, is amended to read as
follows:

Sec. 6.054. RESTRICTION ON EMPLOYMENT BY APPRAISAL
DISTRICT. An individual may not be employed by an appraisal
district if the individual [is):

(1) is an officer of a taxing unit that participates
in the appraisal district; [or]

(2) is an employee of a taxing unit that participates
in the appraisal district; or

(3) has served as a member of the appraisal review
board for the appraisal district at any time during the preceding
two years.

SECTION 5. Section 6.41(f), Tax Code, is amended to read as
follows:

(f) A member of the appraisal review board may be removed
from the board by a majority vote of the appraisal district board of
directors, or by the local administrative district judge or the
judge's designee, as applicable, that appointed the member. Not
later than the 90th day after the date the board of directors, local
administrative district judge, or judge's designee that appointed a
member of the appraisal review board learns of a potential ground
for removal of the member, the board of directors, local
administrative district judge, or judge's designee, as applicable,
shall remove the member or find by official action that the member's
removal is not warranted. Grounds for removal are:
a violation of Section 6.412, 6.413, 41.66(f), or 41.69;

(2) good cause relating to the attendance of members at called meetings of the board as established by written policy adopted by a majority of the appraisal district board of directors; or

(3) evidence of repeated bias or misconduct.

SECTION 6. Section 11.27, Tax Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) A person is entitled to an exemption from taxation of the amount of appraised value of real [his] property owned by the person that arises from the installation or construction on the property of a solar or wind-powered energy device that is primarily for production and distribution of energy for on-site use.

(a-1) A person is entitled to an exemption from taxation of the appraised value of a solar or wind-powered energy device owned by the person that is installed or constructed on real property and is primarily for production and distribution of energy for on-site use regardless of whether the person owns the real property on which the device is installed or constructed.

SECTION 7. Sections 11.45(a), (b), (d), and (e), Tax Code, are amended to read as follows:

(a) The chief appraiser shall determine separately each applicant's right to an exemption. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the later of the date the applicant first qualifies for the
exemption or the date the applicant provides the chief appraiser
the information necessary for the chief appraiser to determine the
applicant's right to the exemption, as the law and facts warrant:

(1) approve the application and allow the exemption;
(2) modify the exemption applied for and allow the
exemption as modified;
(3) disapprove the application and request additional
information from the applicant in support of the claim; or
(4) deny the application.

(b) If the chief appraiser requires additional
information from an applicant, the chief appraiser shall, as soon
as practicable but not later than the 30th day after the date the
application is filed with the chief appraiser, deliver a written
notice to the applicant specifying the additional information the
applicant must provide to the chief appraiser before the chief
appraiser can determine the applicant's right to the exemption.
The applicant must furnish the information not later than the
30th day after the date of the request or the
application is denied. However, for good cause shown the chief
appraiser may extend the deadline for furnishing the information by
written order for a single period not to exceed 15 days.

(d) If the chief appraiser modifies or denies an application
modification or denial to the applicant not later than
the fifth day after the date the chief appraiser
makes the determination. The notice must state and fully
explain each reason the chief appraiser modified or denied the
application. The notice must [he shall] include [with the notice] a
brief explanation of the procedures for protesting the modification
or denial [his action].

(e) If the chief appraiser approves, modifies, or denies an
application for an exemption under Section 11.35, the chief
appraiser shall deliver a written notice of the approval,
modification, or denial to the applicant not later than the fifth
day after the date the chief appraiser makes the determination. The
notice must include the damage assessment rating assigned by the
chief appraiser to each item of qualified property that is the
subject of the application and a brief explanation of the
procedures for protesting the chief appraiser's determination. If
the chief appraiser modifies or denies the application, the notice
must state and fully explain each reason the chief appraiser
modified or denied the application. The notice required under this
subsection is in lieu of any notice that would otherwise be required
under Subsection (d).

SECTION 8. Sections 23.44(a), (b), and (d), Tax Code, are
amended to read as follows:

(a) The chief appraiser shall determine individually each
claimant's right to the agricultural designation. After
considering the application and all relevant information, the chief
appraiser shall, as soon as practicable but not later than the 90th
day after the later of the date the claimant is first eligible for
the agricultural designation or the date the claimant provides to
the chief appraiser the information necessary for the chief
appraiser to determine the claimant's right to the agricultural
designation, as the law and facts warrant:

(1) approve the application and designate the land for agricultural use;

(2) disapprove the application and request additional information from the claimant in support of the claim; or

(3) deny the application.

(b) If the chief appraiser requires additional information from a claimant, the chief appraiser shall, as soon as practicable but not later than the 30th day after the date the application is filed with the chief appraiser, deliver a written notice to the claimant specifying the additional information the claimant must provide to the chief appraiser before the chief appraiser can determine the applicant's right to the agricultural designation. The claimant must furnish the information not later than the 30th day after the date of the request or the application is denied. However, for good cause shown the chief appraiser may extend the deadline for furnishing additional information by written order for a single period not to exceed 15 days.

(d) If the chief appraiser denies an application, the chief appraiser shall deliver a written notice of the denial to the claimant not later than the fifth day after the date of denial. The notice must state and fully explain each reason the chief appraiser denied the application. The notice must include a brief explanation of the procedures for protesting the denial.

SECTION 9. Sections 23.57(a), (b), and (d), Tax Code, are
amended to read as follows:

(a) The chief appraiser shall determine separately each applicant's [his] land appraised under this subchapter. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the later of the date the applicant's land is first eligible for appraisal under this subchapter or the date the applicant provides to the chief appraiser the information necessary for the chief appraiser to determine the applicant's right to have the applicant's land appraised under this subchapter, as the law and facts warrant:

(1) approve the application and allow appraisal under this subchapter;

(2) disapprove the application and request additional information from the applicant in support of the claim; or

(3) deny the application.

(b) If the chief appraiser requires additional information from an applicant, the chief appraiser shall, as soon as practicable but not later than the 30th day after the date the application is filed with the chief appraiser, deliver a written notice to the applicant specifying the additional information the applicant must provide to the chief appraiser before the chief appraiser can determine the applicant's right to have the applicant's land appraised under this subchapter. The applicant must furnish the information not later than the 30th day [it within 30 days] after the date of the request or the application is denied. However, for good cause shown the chief appraiser may
extend the deadline for furnishing the information by written order for a single period not to exceed 15 days.

(d) If the chief appraiser denies an application, the chief appraiser [he] shall deliver a written notice of the denial to the applicant not later than the fifth day [within five days] after the date the chief appraiser [he] makes the determination. The notice must state and fully explain each reason the chief appraiser denied the application. The notice must [he shall] include [with the notice] a brief explanation of the procedures for protesting the denial [his action and a full explanation of the reasons for denial of the application].

SECTION 10. Sections 23.79(a), (b), and (d), Tax Code, are amended to read as follows:

(a) The chief appraiser shall determine separately each applicant's right to have the applicant's [his] land appraised under this subchapter. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the later of the date the applicant's land is first eligible for appraisal under this subchapter or the date the applicant provides to the chief appraiser the information necessary for the chief appraiser to determine the applicant's right to have the applicant's land appraised under this subchapter, as the law and facts warrant:

(1) approve the application and allow appraisal under this subchapter;  
(2) disapprove the application and request additional information from the applicant in support of the claim; or
(3) deny the application.

(b) If the chief appraiser requires additional information from an applicant, the chief appraiser shall, as soon as practicable but not later than the 30th day after the date the application is filed with the chief appraiser, deliver a written notice to the applicant specifying the additional information the applicant must provide to the chief appraiser before the chief appraiser can determine the applicant's right to have the applicant's land appraised under this subchapter. The applicant must furnish the information not later than the 30th day after the date of the request or the application is denied. However, for good cause shown the chief appraiser may extend the deadline for furnishing the information by written order for a single period not to exceed 15 days.

d) If the chief appraiser denies an application, the chief appraiser shall deliver a written notice of the denial to the applicant not later than the fifth day after the date the chief appraiser makes the determination. The notice must state and fully explain each reason the chief appraiser denied the application. The notice must include a brief explanation of the procedures for protesting the denial.

SECTION 11. Sections 23.85(a), (b), and (d), Tax Code, are amended to read as follows:

(a) The chief appraiser shall determine individually each claimant's right to appraisal under this subchapter. After considering the application and all relevant information, the chief
appraiser shall, as soon as practicable but not later than the 90th
day after the later of the date the claimant is first eligible for
appraisal under this subchapter or the date the claimant provides
to the chief appraiser the information necessary for the chief
appraiser to determine the claimant's right to appraisal under this
subchapter, as the law and facts warrant:

(1) approve the application and allow appraisal under
this subchapter;

(2) disapprove the application and request additional
information from the claimant in support of the claim; or

(3) deny the application.

(b) If the chief appraiser requires [requests] additional
information from a claimant, the chief appraiser shall, as soon as
practicable but not later than the 30th day after the date the
application is filed with the chief appraiser, deliver a written
notice to the claimant specifying the additional information the
claimant must provide to the chief appraiser before the chief
appraiser can determine the claimant's right to appraisal under
this subchapter. The claimant must furnish the information
not later than the 30th day [within 30 days] after the date of the
request or the application is denied. However, for good cause shown
the chief appraiser may extend the deadline for furnishing
additional information by written order for a single period not to
exceed 15 days.

(d) If the chief appraiser denies an application, the chief
appraiser [he] shall deliver a written notice of the denial to the
claimant not later than the fifth day [within five days] after the
date of denial. The notice must state and fully explain each reason
the chief appraiser denied the application. The notice must
include a brief explanation of the procedures for protesting the
denial.

SECTION 12. Sections 23.95(a), (b), and (d), Tax Code, are
amended to read as follows:

(a) The chief appraiser shall determine individually each
claimant's right to appraisal under this subchapter. After
considering the application and all relevant information, the chief
appraiser shall, as soon as practicable but not later than the 90th
day after the later of the date the claimant is first eligible for
appraisal under this subchapter or the date the claimant provides
to the chief appraiser the information necessary for the chief
appraiser to determine the claimant's right to appraisal under this
subchapter, as the law and facts warrant:

(1) approve the application and allow appraisal under
this subchapter;

(2) disapprove the application and request additional
information from the claimant in support of the claim; or

(3) deny the application.

(b) If the chief appraiser requires additional
information from a claimant, the chief appraiser shall, as soon as
practicable but not later than the 30th day after the date the
application is filed with the chief appraiser, deliver a written
notice to the claimant specifying the additional information the
claimant must provide to the chief appraiser before the chief
appraiser can determine the claimant's right to appraisal under
this subchapter. The [the] claimant must furnish the information not later than the 30th day [within 30 days] after the date of the request or before April 15, whichever is earlier, or the application is denied. However, for good cause shown the chief appraiser may extend the deadline for furnishing additional information by written order for a single period not to exceed 15 days.

(d) If the chief appraiser denies an application, the chief appraiser [he] shall deliver a written notice of the denial to the claimant not later than the fifth day [within five days] after the date of denial. The notice must state and fully explain each reason the chief appraiser denied the application. The notice must include a brief explanation of the procedures for protesting the denial.

SECTION 13. Sections 23.9805(a), (b), and (d), Tax Code, are amended to read as follows:

(a) The chief appraiser shall determine separately each applicant's right to have the applicant's land appraised under this subchapter. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the later of the date the applicant's land is first eligible for appraisal under this subchapter or the date the applicant provides to the chief appraiser the information necessary for the chief appraiser to determine the applicant's right to have the applicant's land appraised under this subchapter, based on the law and facts:

(1) approve the application and allow appraisal under this subchapter;
(2) disapprove the application and request additional
information from the applicant in support of the claim; or
(3) deny the application.

(b) If the chief appraiser requires additional
information from an applicant, the chief appraiser shall, as soon
as practicable but not later than the 30th day after the date the
application is filed with the chief appraiser, deliver a written
notice to the applicant specifying the additional information the
applicant must provide to the chief appraiser before the chief
appraiser can determine the applicant's right to have the
applicant's land appraised under this subchapter. The applicant must furnish the information not later than the 30th
day after the date of the request or the chief appraiser shall deny
the application. However, for good cause shown, the chief
appraiser may extend the deadline for furnishing the information by
written order for a single period not to exceed 15 days.

(d) If the chief appraiser denies an application, the chief
appraiser shall deliver a written notice of the denial to the
applicant not later than the fifth day after the date the chief
appraiser makes the determination. The notice must state and fully
explain each reason the chief appraiser denied the application.
The chief appraiser shall include with the notice a brief
explanation of the procedures for protesting the denial.

SECTION 14. Section 25.193(b), Tax Code, is amended to read
as follows:

(b) If a property owner has elected to receive notices by
e-mail as provided by Section 1.086, [for property described by
that section,
] the notice required by this section must be sent in
that manner regardless of whether the information was also included
in a notice under Section 25.19 and must be sent separately from any
other notice sent to the property owner by the chief appraiser.

SECTION 15. Section 25.25(e), Tax Code, is amended to read
as follows:

(e) If the chief appraiser and the property owner do not
agree to the correction before the 15th day after the date the
motion is filed, a party bringing a motion under Subsection (c) or
(d) is entitled on request to a hearing on and a determination of
the motion by the appraisal review board. A party bringing a motion
under this section must describe the error or errors that the motion
is seeking to correct. If a request for hearing is made on or after
January 1 but before September 1, the appraisal review board shall
schedule the hearing to be held as soon as practicable but not later
than the 90th day after the date the board approves the appraisal
records as provided by Section 41.12. If a request for hearing is
made on or after September 1 but before January 1 of the following
tax year, the appraisal review board shall schedule the hearing to
be held as soon as practicable but not later than the 90th day after
the date the request for the hearing is made. Not later than 15 days
before the date of the hearing, the board shall deliver written
notice of the date, time, and place of the hearing to the chief
apraiser, the property owner, and the presiding officer of the
governing body of each taxing unit in which the property is located.
The chief appraiser, the property owner, and each taxing unit are
entitled to present evidence and argument at the hearing and to
receive written notice of the board's determination of the motion.

The property owner is entitled to elect to present the owner's evidence and argument before, after, or between the cases presented by the chief appraiser and each taxing unit. A property owner who files the motion must comply with the payment requirements of Section 25.26 or forfeit the right to a final determination of the motion.

SECTION 16. Section 41.44(d), Tax Code, is amended to read as follows:

(d) A notice of protest is sufficient if it identifies the protesting property owner, including a person claiming an ownership interest in the property even if that person is not listed on the appraisal records as an owner of the property, identifies the property that is the subject of the protest, and indicates apparent dissatisfaction with some determination of the appraisal office. The notice need not be on an official form, but the comptroller shall prescribe a form that provides for more detail about the nature of the protest. The form must permit a property owner to include each property in the appraisal district that is the subject of a protest. **If the form includes boxes a property owner is required to select from to indicate the reason the owner is filing a protest, the form must permit a property owner who believes that the owner's property was appraised at a value that exceeds its appraised value, was appraised unequally, or both, to select a single box to indicate that the owner is filing a protest for either or both reasons.** The form must permit a property owner to request that the protest be heard by a special panel established under
Section 6.425 if the protest will be determined by an appraisal review board to which that section applies and the property is included in a classification described by Section 6.425(b). The comptroller, each appraisal office, and each appraisal review board shall make the forms readily available and deliver one to a property owner on request.

SECTION 17. Section 41.45(a), Tax Code, is amended to read as follows:

(a) On the filing of a notice as required by Section 41.44, the appraisal review board shall schedule a hearing on the protest. The appraisal review board shall schedule the hearing to be held as soon as practicable but not later than the 90th day after the date the board approves the appraisal records as provided by Section 41.12. If more than one protest is filed relating to the same property, the appraisal review board shall schedule a single hearing on all timely filed protests relating to the property. A hearing for a property that is owned in undivided or fractional interests, including separate interests in a mineral in place, shall be scheduled to provide for participation by all owners who have timely filed a protest.

SECTION 18. Section 41.46, Tax Code, is amended by adding Subsection (f) to read as follows:

(f) This subsection applies only to the appraisal review board of an appraisal district established in a county with a population of 120,000 or more. In addition to the notice required by Subsection (a), on written request of the property owner initiating the protest, the appraisal review board shall deliver to
The property owner an electronic reminder stating the date, time, and place of the protest hearing that is the subject of the notice. The property owner may request that delivery of the electronic reminder be made by e-mail or text message. The property owner must provide in the request the e-mail address or telephone number, as applicable, to which the appraisal review board must send the reminder. The appraisal review board must deliver the electronic reminder to the property owner not earlier than the seventh day after the date the appraisal review board delivers the notice required by Subsection (a) and not later than the day before the date of the hearing. Failure to deliver the electronic reminder required by this subsection is not considered a failure to provide or deliver notice under Section 41.411.

SECTION 19. Section 41.67, Tax Code, is amended by adding Subsection (e) to read as follows:

(e) The chief appraiser may not offer evidence or argument at a hearing on a protest in support of a reason for modifying or denying an application other than a reason stated in a notice delivered to the applicant under Section 11.45(d) or (e), 23.44(d), 23.57(d), 23.79(d), 23.85(d), 23.95(d), or 23.9805(d) unless the chief appraiser:

(1) provides written notice to the property owner of the additional reason for modifying or denying the application not later than the 14th day before the date of the hearing; and

(2) establishes that the additional reason was not known to the chief appraiser at the time the chief appraiser delivered to the applicant the notice under Section 11.45(d) or
(e), 23.44(d), 23.57(d), 23.79(d), 23.85(d), 23.95(d), or 23.9805(d).

SECTION 20. (a) Section 6.035(a-1), Tax Code, as amended by this Act, does not affect the eligibility of a person serving as an appointed member of the board of directors of an appraisal district immediately before the effective date of this Act to continue to serve on the board for the remainder of the term to which the member was appointed.

(b) Service as an appointed member of the board of directors of an appraisal district before January 1, 2022, does not count for purposes of determining whether a person is ineligible to serve on the board of directors of an appraisal district under Section 6.035(a-1)(1), Tax Code, as added by this Act.

SECTION 21. Section 6.054, Tax Code, as amended by this Act, applies only to a former member of an appraisal review board first employed by an appraisal district on or after the effective date of this Act.

SECTION 22. Section 6.41(f), Tax Code, as amended by this Act, applies only to a potential ground for removal of a member of an appraisal review board that an appraisal district board of directors, local administrative district judge, or local administrative district judge's designee, as applicable, first learns of on or after the effective date of this Act.

SECTION 23. The amendment made by this Act to Section 11.27, Tax Code, is a clarification of existing law and does not imply that existing law may be construed as inconsistent with the law as amended by this Act.
SECTION 24. Sections 11.45(a) and (b), 23.44(a) and (b), 23.57(a) and (b), 23.79(a) and (b), 23.85(a) and (b), 23.95(a) and (b), and 23.9805(a) and (b), Tax Code, as amended by this Act, apply only to an application filed with a chief appraiser on or after the effective date of this Act.

SECTION 25. Sections 11.45(d) and (e), 23.44(d), 23.57(d), 23.79(d), 23.85(d), 23.95(d), and 23.9805(d), Tax Code, as amended by this Act, apply only to a notice required to be delivered by a chief appraiser on or after the effective date of this Act.

SECTION 26. Section 25.25(e), Tax Code, as amended by this Act, applies only to a motion to correct an appraisal roll filed on or after the effective date of this Act.

SECTION 27. Sections 41.45, 41.46, and 41.67, Tax Code, as amended by this Act, apply only to a protest for which the notice of protest was filed on or after the effective date of this Act.

SECTION 28. This Act takes effect September 1, 2021.
President of the Senate  

I hereby certify that S.B. No. 63 passed the Senate on April 23, 2021, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendments on May 28, 2021, by the following vote: Yeas 31, Nays 0.

Speaker of the House

Secretary of the Senate

I hereby certify that S.B. No. 63 passed the House, with amendments, on May 25, 2021, by the following vote: Yeas 145, Nays 0, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor