

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**April 18, 2021**

**TO:** Honorable Morgan Meyer, Chair, House Committee on Ways & Means

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB4411** by King, Tracy O. (Relating to the property tax appraisal option of rural utilities for rendering market value for property which falls into multiple tax jurisdictions.), **As Introduced**

**The number and values of rural utilities located and providing service in multiple county taxing jurisdictions to which the provisions of the bill would apply are unknown. Consequently, the fiscal implications of the bill cannot be determined.**

The bill would add a new section to Chapter 23 of the Tax Code, regarding appraisal methods and procedures, to allow rural utilities located and providing service in multiple county taxing jurisdictions to file a rendition. The bill would require the chief appraiser to accept the rendition as presumptive market value for purposes in determining appraised value if the appraisal district receives a written notice for the appraisal of real property, improvements, and personal property of a rural utility. The bill established the fair market value as 20 percent of rural utility's net book value of taxable property. The bill stipulates, the utility must provide chief appraiser a certified accounting report of net book value based on independently audited books.

The number and values of rural utilities as described in the bill that would qualify to be appraised by the method of appraisal proposed in the bill are unknown; consequently, the fiscal implications of the bill cannot be determined.

**Local Government Impact**

The number and values of rural utilities located and providing service in multiple county taxing jurisdictions to which the provisions of the bill would apply are unknown. Consequently, the fiscal implications of the bill cannot be determined.

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

**LBB Staff:** JMc, KK, SD, BRI