

## **BILL ANALYSIS**

C.S.H.B. 3273  
By: Thierry  
Ways & Means  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Over the past two legislative sessions, the legislature has worked to enhance property tax rate adoption transparency by requiring appraisal districts to mail postcard notices to all property owners by August 7 stating where relevant property tax information may be found online. Postcard mailing costs, like all appraisal district operational costs, are funded by property tax revenues. According to the Texas Association of Appraisal Districts, large metropolitan counties spent over \$4,000,000 on this item alone last year, \$700,000 of which was spent in Harris County. Given inflationary forces affecting labor costs, protest volumes, and data security concerns, appraisal districts must continually seek the most cost-effective means to fulfill their duties. C.S.H.B. 3273 seeks to reduce appraisal district costs while furthering the legislature's intent of enhancing transparency with regard to the estimated amount of property taxes imposed on property owners by requiring the same language to be posted prominently on appraisal districts' and taxing units' websites and published in a newspaper of general circulation and by requiring email notifications of database updates to be provided to property owners who register to receive them through email.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 3273 amends the Tax Code to change from August 7 to September 1 the date on which, or as soon thereafter as practical, the chief appraiser of each appraisal district must deliver by regular mail or email to each property owner in the district a notice that the estimated amount of taxes imposed on the owner's property by each applicable taxing unit may be found in the district's property tax database. The bill establishes that this provision applies only to the 2023 tax year and takes effect on passage, or, if the bill does not receive the necessary vote, it has no effect.

C.S.H.B. 3273 replaces that notice requirement with a requirement that the chief appraiser and the assessor for each taxing unit that participates in the appraisal district instead post that notice prominently on the district's or taxing unit's website, if the district or applicable taxing unit maintains a website. The bill specifies that a statement in the notice regarding local property tax databases be in bold typeface and requires the notice to include instructions describing how an owner may register on the district's website to have notifications regarding updates to the property tax database delivered to the owner by email. The bill additionally requires the chief

appraiser to publish the notice by August 7 or as soon thereafter as practicable in a newspaper of general circulation in the county for which the district is established. If no such newspaper exists, the notice must be posted at the appraisal office for the district. The bill includes rules regarding posting and publication of the notice among rules the comptroller adopts with respect to the format of the notice. These replacement notice requirement provisions take effect January 1, 2024.

C.S.H.B. 3273 replaces the requirement that a chief appraiser's notice of a property's appraised value include a certain specified statement with a requirement that the notice include the information contained in the notice of estimated taxes as provided on the website of the appraisal district or taxing unit. The bill also requires that information to be included in an applicable appraisal review board's notice provided to a property owner initiating a protest.

C.S.H.B. 3273 requires the chief appraiser of each appraisal district that maintains a website to deliver to a property owner by email notifications regarding updates to the property tax database if the owner registers on the website to receive such notifications in that manner.

C.S.H.B. 3273 applies only to a notice required to be delivered for a property tax year that begins on or after the bill's effective date.

### **EFFECTIVE DATE**

Except as otherwise provided, January 1, 2024.

### **COMPARISON OF INTRODUCED AND SUBSTITUTE**

While C.S.H.B. 3273 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

While both the introduced and the substitute replace the notice requirements in current law regarding the estimated amount of taxes imposed on a owner's property by each applicable taxing unit effective January 1, 2024, the substitute includes provisions that were not in the introduced retaining the current notice requirements for the 2023 tax year but changes the date on which the notice must be provided from August 7 to September 1 for that tax year.