88R10829 DRS-F

By:  Noble H.B. No. 4980

A BILL TO BE ENTITLED

AN ACT

relating to the appeal of certain ad valorem tax determinations through binding arbitration.

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

SECTION 1.  Section 41A.03, Tax Code, is amended by amending Subsection (a) and adding Subsections (c) and (d) to read as follows:

(a)  To appeal an appraisal review board order under this chapter, a property owner must file with the comptroller [~~appraisal district~~] not later than the 60th day after the date the property owner receives notice of the order:

(1)  a completed request for binding arbitration under this chapter in the form prescribed by Section 41A.04; and

(2)  an arbitration deposit [~~made payable to the comptroller~~] in the amount of:

(A)  $450, if the property qualifies as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is $500,000 or less, as determined by the order;

(B)  $500, if the property qualifies as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than $500,000, as determined by the order;

(C)  $500, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is $1 million or less, as determined by the order;

(D)  $800, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than $1 million but not more than $2 million, as determined by the order;

(E)  $1,050, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than $2 million but not more than $3 million, as determined by the order; or

(F)  $1,550, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than $3 million but not more than $5 million, as determined by the order.

(c)  If a property owner files a request for binding arbitration through an electronic system, the property owner must pay the arbitration deposit required by Subsection (a) through the electronic system.

(d)  If a property owner does not file a request for binding arbitration through an electronic system, the property owner must pay the arbitration deposit required by Subsection (a) by check or money order made payable to the comptroller or by another form of payment acceptable to the comptroller.

SECTION 2.  Section 41A.04, Tax Code, is amended to read as follows:

Sec. 41A.04.  CONTENTS OF REQUEST FORM. The comptroller by rule shall prescribe the form of a request for binding arbitration under this chapter. The form must require the property owner to provide only:

(1)  a brief statement that explains the basis for the property owner's appeal of the appraisal review board order;

(2)  a statement of the property owner's opinion of the appraised or market value, as applicable, of the property that is the subject of the appeal; and

(3)  any other information reasonably necessary for the comptroller to process the request and appoint [~~appraisal district to request appointment of~~] an arbitrator.

SECTION 3.  Section 41A.05(a), Tax Code, is amended to read as follows:

(a)  Not later than the 10th day after the date an appraisal district receives notification that a [~~from a property owner a completed~~] request for binding arbitration has been filed [~~under this chapter and an arbitration deposit as required by Section 41A.03~~], the appraisal district shall, in the manner prescribed by the comptroller, provide to the comptroller any information reasonably necessary for the comptroller to process the request and appoint an arbitrator[~~:~~

[~~(1)  submit the request and deposit to the comptroller; and~~

[~~(2)  request the comptroller to appoint a qualified arbitrator to conduct the arbitration~~].

SECTION 4.  Section 41A.08, Tax Code, is amended by adding Subsections (c), (d), and (e) to read as follows:

(c)  The designation of an agent by a property owner under this section must be made by written authorization on a form prescribed by the comptroller and signed by the property owner or an authorized individual other than an agent designated under Section 1.111. The designation must authorize the agent to represent the owner in an arbitration proceeding under this chapter. The designation takes effect when the property owner or authorized individual signs the form.

(d)  A property owner's agent shall retain the form described by Subsection (c) and shall produce the form immediately upon request from:

(1)  the property owner or authorized individual described by Subsection (c);

(2)  the appraisal district that is party to the arbitration under this chapter;

(3)  the appraisal review board that is party to the arbitration under this chapter;

(4)  the arbitrator assigned to the arbitration under this chapter; or

(5)  the comptroller.

(e)  Notwithstanding any other law, a property owner may assign to an agent or entity the property owner's right to receive a refund of an arbitration deposit. An assignment under this subsection must be made in writing on a form prescribed by the comptroller.

SECTION 5.  Section 41A.11, Tax Code, is amended to read as follows:

Sec. 41A.11.  POSTAPPEAL ADMINISTRATIVE PROCEDURES. An arbitration award or settlement reached between the parties to an arbitration under this chapter is considered to be a final determination of an appeal for purposes of Subchapter C, Chapter 42.

SECTION 6.  The change in law made by this Act applies only to a request for arbitration made on or after the effective date of this Act.

SECTION 7.  This Act takes effect January 1, 2024.