

By: King of Uvalde

H.B. No. 1417

A BILL TO BE ENTITLED

AN ACT

relating to the appraisal for ad valorem tax purposes of property owned by certain telecommunications providers.

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

SECTION 1. Subchapter B, Chapter 23, Tax Code, is amended by adding Section 23.1212 to read as follows:

Sec. 23.1212. PROPERTY OWNED BY SMALL PROVIDER; VALUE. (a) In this section:

(1) "Incumbent local exchange company," "local exchange company," and "telecommunications utility" have the meanings assigned by Section 51.002, Utilities Code.

(2) "Presumptive appraised value" means the value equal to 20 percent of the net book value of taxable property on January 1 of a tax year.

(3) "Small provider" means a telecommunications utility that is:

(A) an incumbent local exchange company or cooperative that, on September 1, 2013, together with all local exchange companies affiliated with the company or cooperative on that date, served 31,000 or fewer access lines in this state; or

(B) a company or cooperative that is a successor to a company or cooperative described by Paragraph (A).

(b) A small provider that owns taxable real or personal property in more than one appraisal district may elect to have the

1 property appraised for a tax year as provided by this section.

2 (c) To elect appraisal of property for a tax year under this
3 section, a small provider must submit a written request not later
4 than March 1 of the tax year to the chief appraiser of each
5 appraisal district for which the election is made. The request
6 must:

7 (1) state the presumptive appraised value on January 1
8 of that tax year of the small provider's taxable property in the
9 appraisal district for which the request is submitted; and

10 (2) include an accounting report that:

11 (A) demonstrates the net book value of the small
12 provider's taxable property in the appraisal district; and

13 (B) is prepared and certified by a certified or
14 licensed public accountant who is not an employee of the small
15 provider.

16 (d) Except as provided by Subsection (e), a chief appraiser
17 who receives a request timely submitted under this section must
18 appraise the property that is the subject of the request at the
19 property's presumptive appraised value.

20 (e) A chief appraiser may increase the appraised value of a
21 small provider's real and personal property to an amount greater
22 than the presumptive appraised value if the increase is supported
23 by a preponderance of the evidence.

24 SECTION 2. This Act applies only to an ad valorem tax year
25 that begins on or after the effective date of this Act.

26 SECTION 3. This Act takes effect September 1, 2023.