

A BILL TO BE ENTITLED

AN ACT

relating to the appraisal of real property for ad valorem tax purposes.

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

SECTION 1. The heading to Subchapter C, Chapter 22, Tax Code, is amended to read as follows:

SUBCHAPTER C. ~~[OTHER]~~ REPORTS OF POLITICAL SUBDIVISION ACTIONS

SECTION 2. Chapter 22, Tax Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. REPORT OF SALES PRICE

Sec. 22.61. SALES PRICE DISCLOSURE REPORT. (a) Except as provided by Subsection (b), not later than the 10th day after the date the deed is recorded in the county real property records, the purchaser or grantee of real property under a recorded deed conveying an interest in the real property shall file a sales price disclosure report with the chief appraiser of the appraisal district established for the county in which the property is located.

(b) This section does not apply to a sale or other transfer of real property if the sale or other transfer is made:

(1) pursuant to a court order;

(2) to or from a trustee in bankruptcy;

(3) pursuant to a power of sale under a deed of trust or other encumbrance secured by the property;

1 (4) by a deed in lieu of foreclosure;

2 (5) by one co-owner to one or more other co-owners;

3 (6) to a spouse or to a person or persons in the first
4 degree of lineal consanguinity of one or more of the sellers or
5 grantors;

6 (7) of an interest less than a full fee simple
7 interest; or

8 (8) to an entity having the power to acquire the
9 property by eminent domain.

10 (c) A sales price disclosure report must be signed by the
11 purchaser or grantee of the real property described in the report.

12 Sec. 22.62. REPORT FORM. (a) A sales price disclosure
13 report filed under this subchapter must read as follows, with the
14 appropriate information included in the blanks:

15 SALES PRICE DISCLOSURE REPORT

16 Section 22.61, Tax Code, requires a purchaser or grantee
17 under a deed to prepare this report, sign it, and file it with the
18 chief appraiser of the appraisal district established for the
19 county in which the property is located not later than the third day
20 after the date the deed is recorded. This report is not required to
21 be filed if the sale or transfer is made: (1) under a court order;
22 (2) to or from a trustee in bankruptcy; (3) under a deed of trust or
23 other encumbrance secured by the property; (4) by a deed in lieu of
24 foreclosure; (5) between co-owners; or (6) between spouses or
25 between family members in the first degree of lineal consanguinity.
26 Knowingly making a false statement on this form is grounds for
27 prosecution of a Class A misdemeanor or a state jail felony under

1 Section 37.10, Penal Code. The chief appraiser may not use the
2 information in this form as the sole basis on which to increase the
3 market value of the property.

4 Seller's or grantor's name: _____

5 Purchaser's or grantee's name: _____

6 Purchaser's or grantee's address: _____

7 Property description (as stated in deed): _____

8 Sales price or other consideration paid for the property:

9 _____

10 The method used to finance the sales price or consideration
11 was: none (cash sale) cash and third-party financing cash
12 and seller financing exchange of other property other,
13 describe: _____

14 Describe any unusual or extraordinary terms of the sale or
15 transfer that affected the amount of the sales price or
16 consideration: _____

17 Describe any other facts or circumstances that affected the
18 amount of the sales price or consideration: _____

19 To the best of my knowledge, this statement is true and
20 accurate.

21 Purchaser's or grantee's signature: _____

22 Date: _____

23 Return this form to: _____.

24 (b) The appraisal district shall include at the end of the
25 form instructions for the filing of the form by mail, hand delivery,
26 or, if permitted by the chief appraiser, e-mail or other electronic
27 means.

1 (c) Each appraisal district shall prepare and make
2 available sales price disclosure report forms that conform to the
3 requirements of this section. Except for instructions for the
4 filing of the form, no additional information may be required to be
5 included in a sales price disclosure report form.

6 (d) Each county clerk's or combined county and district
7 clerk's office shall provide at no charge a sales price disclosure
8 report form to each grantee or agent of a grantee who appears in
9 person and tenders a deed to real property for recording. The sales
10 price disclosure form must be the form that is prepared and made
11 available by the appraisal district established for the county in
12 which the property is located.

13 (e) At the end of a calendar month in which a deed to real
14 property has been recorded in the deed records of the county, the
15 county clerk or the combined county and district clerk shall
16 provide the appraisal district established for the county with a
17 copy of the grantee index or a report or list of deeds to real
18 property filed for recording in that month.

19 Sec. 22.63. FILING AND RECEIPT OF REPORT. (a) A purchaser
20 or grantee may file a sales price disclosure report with a chief
21 appraiser by mail, hand delivery, or e-mail or other electronic
22 means.

23 (b) On receipt of the completed sales price disclosure
24 report, the chief appraiser shall provide to the purchaser or
25 grantee a written acknowledgement that the report has been
26 received. If the acknowledgement of receipt is mailed, the chief
27 appraiser shall mail it to the purchaser or grantee at the address

1 provided in the report.

2 Sec. 22.64. PREPARATION OF REPORT; IMMUNITY FROM LIABILITY.

3 (a) A sales price disclosure report must be prepared by the
4 purchaser or grantee of the property described in the report or by a
5 title insurance company, lender, real estate agent, or attorney.

6 (b) A title insurance company, lender, real estate agent, or
7 attorney who prepares a sales price disclosure report is not liable
8 to any person for preparing the report or for any unintentional
9 errors or omissions in the report.

10 (c) The applicable title insurance company, lender, real
11 estate agent, or attorney shall provide a sales price disclosure
12 report form and filing instructions to each purchaser or grantee of
13 real property unless the insurance company, lender, real estate
14 agent, or attorney prepares the disclosure report or has confirmed
15 that another person described by Subsection (a), other than the
16 purchaser or grantee, will prepare and file the disclosure report.

17 Sec. 22.65. ACTION TO COMPEL COMPLIANCE. The chief
18 appraiser may bring an action for an injunction to compel a person
19 to comply with the requirements of this subchapter. If the court
20 finds that this subchapter applies and that the person has failed to
21 fully comply with its requirements, the court:

22 (1) shall order the person to comply; and

23 (2) may assess costs and reasonable attorney's fees
24 against the person.

25 SECTION 3. Section 23.013, Tax Code, is amended by adding
26 Subsection (f) to read as follows:

27 (f) The chief appraiser may use information contained in a

1 sales price disclosure report filed under Subchapter D, Chapter 22,
2 in determining the market value of real property but may not
3 increase the market value of the real property described in the
4 report solely on the basis of the information contained in the
5 report.

6 SECTION 4. Section 41.43, Tax Code, is amended by amending
7 Subsections (a) and (a-2) and adding Subsection (a-6) to read as
8 follows:

9 (a) Except as provided by Subsections (a-1), (a-3), (a-6),
10 and (d), in a protest authorized by Section 41.41(a)(1) or (2), the
11 appraisal district has the burden of establishing the value of the
12 property by a preponderance of the evidence presented at the
13 hearing. If the appraisal district fails to meet that standard, the
14 protest shall be determined in favor of the property owner.

15 (a-2) To be valid, an appraisal filed under Subsection (a-1)
16 or (a-6) must be attested to before an officer authorized to
17 administer oaths and include:

18 (1) the name and business address of the certified
19 appraiser;

20 (2) a description of the property that was the subject
21 of the appraisal;

22 (3) a statement that the appraised or market value of
23 the property:

24 (A) was, as applicable, the appraised or market
25 value of the property as of January 1 of the current tax year; and

26 (B) was determined using a method of appraisal
27 authorized or required by Chapter 23; and

1 (4) a statement that the appraisal was performed in
2 accordance with the Uniform Standards of Professional Appraisal
3 Practice.

4 (a-6) Notwithstanding Subsection (a-1), if in the protest
5 relating to a parcel of residential real property the property
6 owner files with the appraisal review board and, not later than the
7 14th day before the date of the first day of the hearing, delivers
8 to the chief appraiser a copy of an appraisal of the property
9 performed not later than the 180th day before the date of the first
10 day of the hearing by an appraiser certified under Chapter 1103,
11 Occupations Code, that supports the appraised or market value of
12 the property asserted by the property owner, the appraisal review
13 board shall:

14 (1) determine the protest in favor of the property
15 owner; and

16 (2) issue an order changing the property's appraised
17 or market value in the appraisal records to the value determined by
18 the appraisal of the property filed by the property owner.

19 SECTION 5. Section 37.10(c)(4), Penal Code, is amended to
20 read as follows:

21 (4) An offense under this section is a Class B
22 misdemeanor if it is shown on the trial of the offense that the
23 governmental record is a written appraisal filed with an appraisal
24 review board under Section 41.43(a-1) or (a-6), Tax Code, that was
25 performed by a person who had a contingency interest in the outcome
26 of the appraisal review board hearing.

27 SECTION 6. (a) As soon as practicable after September 1,

1 2025, but not later than January 1, 2026, each appraisal district
2 shall prepare and make available sales price disclosure report
3 forms as provided by Section 22.62, Tax Code, as added by this Act.

4 (b) Subchapter D, Chapter 22, Tax Code, as added by this
5 Act, applies only to a sale of real property that occurs on or after
6 January 1, 2026.

7 (c) Section 23.013(f), Tax Code, as added by this Act,
8 applies only to an ad valorem tax year that begins on or after
9 January 1, 2026.

10 (d) Section 41.43, Tax Code, and Section 37.10(c)(4), Penal
11 Code, as amended by this Act, apply only to a protest under Chapter
12 41, Tax Code, for which a notice of protest is filed on or after
13 September 1, 2025.

14 SECTION 7. (a) Except as provided by Subsection (b) of this
15 section, this Act takes effect September 1, 2025.

16 (b) The heading to Subchapter C, Chapter 22, Tax Code, as
17 amended by this Act, and Subchapter D, Chapter 22, and Section
18 23.013(f), Tax Code, as added by this Act, take effect January 1,
19 2026.