By: Turner, Geren H.B. No. 2786

A BILL TO BE ENTITLED

AN ACT

relating to the frequency with which certain appraisal districts are required to reappraise property for ad valorem tax purposes and to a limitation on the authority of an appraisal district to increase the appraised value of property.

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

SECTION 1. Section 6.05(i), Tax Code, is amended to read as follows:

(i) To ensure adherence with generally accepted appraisal practices, the board of directors of an appraisal district shall develop biennially a written plan for the periodic reappraisal of all property within the boundaries of the district according to the requirements of Section 25.18 and shall hold a public hearing to consider the proposed plan. <u>The written plan developed by the board of directors of an appraisal district to which Section 6.0301 applies must provide for the annual reappraisal of all property within the boundaries of the district.</u> Not later than the 10th day before the date of the hearing, the secretary of the board shall deliver to the presiding officer of the governing body of each taxing unit participating in the district a written notice of the date, time, and place for the hearing. Not later than September 15 of each even-numbered year, the board shall complete its hearings, make any amendments, and by resolution finally approve the plan. Copies of the approved plan shall be distributed to the presiding officer of the governing body of each taxing unit participating in the district and to the comptroller within 60 days of the approval date.

SECTION 2. Section 23.01(e), Tax Code, is amended to read as follows:

(e) Notwithstanding any provision of this subchapter to the contrary, if the appraised value of property in a tax year is lowered under Subtitle F or by a written agreement between the property owner or the owner's agent and the appraisal district under Section 1.111(e), the appraised value of the property as finally determined under that subtitle or by the agreement is considered to be the appraised value of the property for that tax year. In the next tax year in which the property is appraised, the chief appraiser may not increase the appraised value of the property unless the increase by the chief appraiser is reasonably supported by clear and convincing evidence when all of the reliable and probative evidence in the record is considered as a whole. If the appraised value is finally determined in a protest under Section 41.41(a)(2) or an appeal under Section 42.26, the chief appraiser may satisfy the requirement to reasonably support by clear and convincing evidence an increase in the appraised value of the property in the next tax year in which the property is appraised by presenting evidence showing that the inequality in the appraisal of property has been corrected with regard to the properties that were considered in determining the value of the subject property. The burden of proof is on the chief appraiser to support an increase in the appraised value of property under the circumstances described by this subsection.

SECTION 3. Section 25.18, Tax Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) The plan implemented by an appraisal office for an appraisal district to which Section 6.0301 applies shall provide for the reappraisal of all real and personal property by the chief appraiser each year. The chief appraiser shall use the most recent information obtained through the reappraisal activities described by Subsection (b) when performing a reappraisal.

SECTION 4. Section 23.01(e), Tax Code, as amended by this Act, applies only to the appraisal of property for a tax year that begins on or after the effective date of this Act.

SECTION 5. This Act takes effect January 1, 2026.