

By: Parker, Hinojosa of Nueces
Kolchhorst

S.B. No. 2063

A BILL TO BE ENTITLED

AN ACT

relating to ad valorem tax protests and appeals on the ground of the
unequal appraisal of property.

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

SECTION 1. Section 41.43, Tax Code, is amended by adding
Subsection (b-1) to read as follows:

(b-1) For the purpose of establishing whether a protest
shall be determined in favor of the protesting party under
Subsection (b)(3), the parties may not present and the appraisal
review board may not consider the market value of the property
subject to the protest as evidence if the property owner is
protesting solely on the ground of unequal appraisal.

SECTION 2. Section 42.26, Tax Code, is amended by adding
Subsection (a-1) to read as follows:

(a-1) For the purpose of establishing whether a property
owner is entitled to relief under Subsection (a)(3), the parties
may not present and the court may not consider the market value of
the property subject to the suit as evidence if the property owner
is appealing solely on the ground of unequal appraisal.

SECTION 3. Section 42.26(d), Tax Code, as effective until
January 1, 2027, is amended to read as follows:

(d) For purposes of this section and subject to Subsection
(a-1), the value of the property subject to the suit and the value
of a comparable property or sample property that is used for

1 comparison must be the market value determined by the appraisal
2 district when the property is subject to the limitation on
3 appraised value imposed by Section 23.23 or 23.231.

4 SECTION 4. Section 42.26(d), Tax Code, as effective January
5 1, 2027, is amended to read as follows:

6 (d) For purposes of this section and subject to Subsection
7 (a-1), the value of the property subject to the suit and the value
8 of a comparable property or sample property that is used for
9 comparison must be the market value determined by the appraisal
10 district when the property is a residence homestead subject to the
11 limitation on appraised value imposed by Section 23.23.

12 SECTION 5. Section 41.43(b-1), Tax Code, as added by this
13 Act, applies only to a protest under Chapter 41, Tax Code, for which
14 a notice of protest is filed on or after the effective date of this
15 Act. A protest under Chapter 41, Tax Code, for which a notice of
16 protest was filed before the effective date of this Act is governed
17 by the law in effect when the notice of protest was filed, and the
18 former law is continued in effect for that purpose.

19 SECTION 6. Section 42.26(a-1), Tax Code, as added by this
20 Act, applies only to an appeal filed under Chapter 42, Tax Code, on
21 or after the effective date of this Act. An appeal filed under
22 Chapter 42, Tax Code, before the effective date of this Act is
23 governed by the law in effect when the appeal was filed, and the
24 former law is continued in effect for that purpose.

25 SECTION 7. This Act takes effect January 1, 2026.