

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION**

**March 15, 2025**

**TO:** Honorable Paul Bettencourt, Chair, Senate Committee on Local Government

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: SB472** by Sparks (Relating to the right of the chief appraiser of an appraisal district, the appraisal district, or the appraisal review board of the appraisal district to bring certain claims in an appeal of an order of the appraisal review board.), **As Introduced**

Passage of the bill would prohibit an appraisal district from appealing an appraisal review board ruling or bringing a counterclaim in an appeal under Chapter 42 of the Tax Code. As a result, taxable property values could be reduced and the related costs to the Foundation School Fund could be increased through the operation of the school finance formulas.

The bill would repeal Section 42.02 of the Tax Code, relating to Right of Appeal by Chief Appraiser, to prohibit a chief appraiser from appealing an appraisal review board ruling. The bill would amend Section 42.23 of the Tax Code to prohibit a chief appraiser, appraisal district, or appraisal review board from bringing a counterclaim in an appeal brought under Chapter 42 of the Tax Code. As a result, taxable property value could be reduced and the costs to the state increased through the school finance formulas.

**Local Government Impact**

Passage of the bill would prohibit an appraisal district from appealing an appraisal review board ruling or bringing a counterclaim in an appeal under Chapter 42 of the Tax Code. As a result, taxable property values could be reduced. However, the no-new-revenue and voter-approval tax rates as provided by Section 26.04, Tax Code could be higher as a consequence of the reduction in taxable property value proposed by the bill.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JMc, SZ, SD, BRI