

POPP | HUTCHESON_{PLLC}

The Property Tax Firm



POPP HUTCHESON ANNOUNCES

Popp Hutcheson PLLC is excited to announce Missy Ramirez, CMI as the newest Principal at Popp Hutcheson.

Missy currently serves as the Litigation Principal for the Industrial practice group at Popp Hutcheson.

Expert Opinion

Last Chance

By now, you have received your property tax bill, and if you did not appeal your property value in accordance with provisions of Texas Tax Code Chapter 41, you may be lamenting that you missed your opportunity to lower your value. The Texas Tax Code, however, does allow for alternative means for appealing property values and correcting the appraisal roll under certain circumstances after the Chapter 41 appeal process and certification of the roll is complete.

Generally, the appeals process governed by Tax Code Chapter 41 takes place during the summer, with protests filed, hearings held, and orders issued between May and August. The deadline for protesting your property value for the 2012 tax year was May 31, 2012, or 30 days after you received your notice of appraised value, whichever was later. Owners who did not file protests usually must wait until the following tax year to protest their value under that process.

There are, however, alternative means for correcting the appraisal roll notwithstanding the Chapter 41 deadlines and procedures. For example, if a change or correction does not increase the amount of tax liability, a chief appraiser may at any time correct a name or address, a determination of ownership, a description of the property, multiple appraisals of property, or a clerical error. In addition, the appraisal review board (“ARB”) may correct such errors that do affect tax liability on a motion by the chief appraiser or a property owner.

Of particular note for those concerned they have missed their chance to protest market value and receive tax relief is a provision in the Tax Code permitting correction of an appraisal that resulted in an excessive value. Under Tax Code 25.25(d), a property owner or the chief appraiser may file a motion with the ARB to change the appraisal roll to correct an error that resulted in an incorrect appraised value. However, the

error may not be corrected unless it resulted in an appraised value that exceeds **by more than one-third** the correct appraised value. This is an alternative means by which to protest your property value and obtain a decrease that more accurately reflects your property's market value.

The deadline to file a motion to correct an error under Texas Tax Code 25.25(d) is anytime prior to the date the taxes become delinquent, or before February 1.

Do you qualify for such a protest? What have you got to lose? First, this relief is only available if you have not previously filed a protest on the subject property and appeared in front of the ARB under Chapter 41 for the present tax year. This relief is also not available if you signed a written agreement that

established the value on the tax roll.

Second, you must determine that your property value exceeds the correct value under the one-third threshold. For example, if the appraised value for a property in 2012 was \$10,000,000, a property owner could file a one-third error protest if the correct value is \$7,518,797:

$$\begin{aligned} \$10,000,000 / 1.33 = \\ \$7,518,797 \end{aligned}$$

It is the property owner's burden to establish the correct value of \$7,518,797 (or lower) before the ARB. If the ARB determines the correct value is \$8,000,000 in this example, the one-third threshold would not be met and no relief would be granted.

Third, if you are granted relief and your value is lowered, you must still pay a late correction penalty of 10

percent of the amount of taxes as calculated on the basis of the corrected appraised value.

Note finally that property taxes must be paid before the delinquency date (February 1) to avail yourself of this remedy. If the ARB denies your protest, you have the right to appeal the decision in district court as you would with a protest filed under Chapter 41.

For more information please contact Missy Ramirez, melissa.ramirez@property-tax.com

