

Texas Legislative Update

The following is a section by section summary of changes made to the Texas Property Tax Code during the recently concluded legislation session.

Section 6.231: County assessor-collector must complete 40 hours of continuing education including a course on Chapter 26 (mainly truth in taxation) in addition to current annual requirement of 20 hours per year. (SB 929 by Hughes; Effective Immediately)

Section 11.01: For purposes of jurisdiction to tax, property is used continually in the state if it is used three or more times on regular routes or three or more completed assignments occurring in close succession. (HB 3103 by Darby; effective immediately)

Section 11.134: Provides a residence homestead exemption for surviving spouse of a first responder killed in line of duty. Section 11.42, 11.431, 26.10, 26.112, makes clerical changes related to exemption (SB 15 by Huffines; effective upon passage of constitutional amendment)

Section 11.18: Provides an exemption for property owned by a charitable organization that provides tax return preparation and financial services without regard to ability to pay. (SB 1345 by Watson; Effective 1/1/18)

Section 11.23: Clarifies the exemption for medical center development in counties over 3.3 million to include research activities and auxiliary activities to the primary functions. (HB 2988 by Bonnen; Effective 1/1/18)

Section 11.43: Chief appraiser may not require a person with a permanent total disability exemption to file a new homestead exemption. (HB 1101 by Pickett; Effective 1/1/18)

Section 11.431: Extends the deadline for a late homestead application to two years after the delinquency date from one year. (HB 626 by Workman; Effective 9/1/17)

Section 11.439: Extends the deadline for late disabled veteran exemption application to five years after the delinquency date from one year after. (HB 626 by Workman; Effective 9/1/17)

Section 11.4391: Changes the late application deadline for freeport exemption to June 15 from prior to approval of appraisal records. (HB 2228 by Murphy; Effective 1/1/18)

Section 21.09: Changes the interstate allocation application deadline to April 1 from May 1; changes the interstate allocation deadline for a property not on the roll in the previous year to 30 days rather than 45 days after receipt of notice of appraised value; changes the good cause application extension to 30 days from 60 days (HB 2228 by Murphy; effective 1/1/18)

Section 22.23: Changes the rendition deadline in an appraisal district in which one or more taxing units grant the freeport exemption from April 15 to April 1; allows on written request an extension to May 1 rather than the general May 15 deadline. (HB 2228 by Murphy; Effective 1/1/18)

For property regulated by the PUC, Railroad Commission, FERC or the Surface Transportation Board, the rendition deadline is April 30. (HB 2228 by Murphy; Effective /1/18)

Section 23.142: Changes the dealer's heavy equipment inventory report date from the tenth day of the month to the twentieth. (HB 1346 by Button: Eff 9/1/17)

Section 23.523: Provides that a property owner deployed outside the state as a member of the armed services does not lose ag-use if the property is not used for ag-use during the owner's absence. (HB 777 by Ashby: Effective Immediately)

Section 23.524: Provides that if agricultural use ceases because of the need to manage the spread of pests that a rollback is not triggered. (SB 1459 by Hinojosa: Eff Immediately)

Section 23.524: Ag-use does not terminate as a result of a lessee conducting oil and gas operations on a portion of the land. (HB 3198 by Darby; effective immediately)

Section 25.25: Chief appraiser may correct the erroneous denial of a homestead exemption for elderly or disabled, their surviving spouse or a totally disable veteran. (SB 945 by Bettencourt; Effective immediately)

Section 25.025: Provides that the appraisal records of a current or former employee of a federal judge or state judge is confidential. (SB 510 by Zaffirini; Effective Immediately)

Provides that the appraisal record of a spouse or surviving spouse or adult child of a police officer are confidential is confidential (SB 457 by Estes)

Section 25.25: In a situation involving a dispute between taxing units over which taxing unit may tax a property, upon resolution, the chief appraiser shall correct the appraisal roll. (SB 2242 by Hinojosa: Effective immediately)

Section 25.25: A property owner may present evidence at an ARB hearing before, after or between cases presented by the chief appraiser. (SB 1767 by Buckingham: Effective 1/1/18)

Section 23.52: Provides that ag-use rules must be approved by the comptroller with advice and counsel of the Department of Agriculture rather than a five-person panel appointed by the governor, the comptroller, the attorney general, the agriculture commissioner and the general land office. (SB 594 by Creighton; Effective 1/1/18)

Section 26.15: Clarifies that for purposes of a refund under this section, the refund shall be made to the property owner who paid the tax (HB 2989 by Bonnen; Effective Immediately)

Section 26.15: Clarifies provisions related to installment payments for the elderly or disabled. (SB 1047 by Creighton; effective 1/1/18)

Section 31.112; 31.12: In a situation involving a dispute between taxing units over which taxing unit may tax a property, upon resolution, taxing units shall make refunds. (SB 2242 by Hinojosa: Effective immediately)

Section 33.06: Provides that a person who receives a disabled veteran's homestead exemption may defer collection of taxes as the elderly or disabled are currently allowed to do. (HB 217 by Canales; Eff 9/1/17)

Section 33.73: Currently, the Court can award reasonable compensation to the tax master to be taxed as costs of court. This clarifies that fees may be awarded regardless of the disposition of the case and in a dismissed case if there was at least one hearing of the master prepared for a hearing. (HB 3389 by Schofield; Effective 9/1/17)

Section 41.413: Provides that a lessee responsible for paying taxes must receive a copy of the notice of appraised value from the owner. The lessee may request the notice be sent to the lessee. (HB 804 by Dale; Effective 9/1/17)

A person leasing property may designate an agent for any purpose. (HB 804 by Dale; Effective 9/1/17)

Section 41.44: Changes the protest deadline to May 15 (rather than June 1) or 30 days after delivery of ARB notice. (HB 2228 by Murphy; Effective /1/18)

Section 41.45: Parties to an ARB hearing must exchange any written material. Comptroller may prescribe by rule the manner and form of the material. (SB 1286 by Bettencourt; Effective 9/1/17)

Section 41.45: Allows a person to appear at an ARB hearing by telephone and to offer evidence by affidavit. (HB 455 by Metcalf; Eff 9/1/17)

Section 41.66: A property owner may present evidence at an ARB hearing before, after or between cases presented by the chief appraiser. (SB 1767 by Buckingham; Eff 1/1/18)

Section 41A.01 and 41A.03: Changes the limit on property eligible for binding arbitration from \$3M to \$5M and imposes a \$1550 arbitration fee. (SB 731 by Bettencourt; Effective 9/1/17)

Section 41A.061: Comptroller for good cause may remove a person from the arbitrator's registry. (SB 1286 by Bettencourt; Effective 9/1/17)

Section 41A.07: Creates new eligibility requirements for an arbitrator. The arbitrator must reside in the county of the property or if not in the state. A person is not eligible if during the last five years the person represented another for compensation in a tax matter in the county in which the property is located, served as an employee of the appraisal district or as a member of the ARB. (SB 1286 by Bettencourt; Effective 9/1/17)

Section 60.005 Water Code: Provides that the property of a navigation district is exempt from all state and local taxes and assessments. (SB 1133 by Hinijsa; Eff. Immediately)