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## Pending Property Tax Legislation for the 86<sup>th</sup> Legislative Session

By Sands Stiefer

This summary of pending legislation for the 86<sup>th</sup> legislative session is prepared by Olson & Olson for the benefit of local government officials and staff. It will be updated weekly to reflect new bills filed and changes to bills as they work their way through the session. These are summaries; readers should refer to the text of filed bills for full details. This issue is organized by bill number. This edition reflects actions through April 12, 2019. The following indicates bill status: \* reported from committee; \*\*passed first house; \*\*\* reported from committee in second house; \*\*\*\* passed second house; GOV sent to Governor.

### **\*HB 2 by Burrows Omnibus Property Tax Reform**

Omnibus bill jointly filed in Senate (SB 2). Would include Property Tax Administration Advisory Board appointed by comptroller; minimum hours for ARB training; Arbitrator training course and manual; requirement for CAD to appraise in accordance with comptroller manuals; comptroller prescribed truth in taxation forms; modifications to comptroller database of tax rates; comptroller review of compliance with appraisal manual by CAD, ARB survey; office of tax notices established by the chief appraiser; appointment of tax notice officer by chief appraiser; permitting CAD board member to transmit written complaint about specific property appraisal without comment; special ARB panels for complex property in large counties; extends nepotism prohibition for ARB to other members of ARB; restores term limits for ARB members in large counties; administrative district judge appoints the chair and secretary of the ARB; majority concurrence by panel or ARB sufficient for action; Moves rendition deadline to April 1; requires determination of value according to comptroller manuals; moves appraisal notice deadline to April 15 for all property; inclusion of special panel information in appraisal notice; changes name of effective tax rate to "no-new-revenue" rate; redefines small taxing unit; changes rollback rate calculation to allow 2.5% increase in effective M&O rate, with exceptions; requires use of state rate calculation forms; changes deadline for submission of rates to governing body to July 22 and establishes July 27 deadline for publication of rates. Requires tax notice officer to mail or email new tax notice by July 22 to all property owners; limits anticipated collection rate; allows unit with any territory in a disaster area to use small taxing unit (8% increase) rollback rate calculations for 5 years or until taxable value exceeds value before disaster; requires adoption of rate that will exceed rollback rate before August 15; prohibits public hearing until 14 days after rate data has been entered in real time database; revises requirements for notice of public hearings; requires posting of notices on website if published in a newspaper; revises notices for meeting to vote on proposed rate and requires posting on unit's website; makes ratification election mandatory for cities and counties that adopt rates in excess of the rollback rate; provides for ratification elections to be held on the November general election date; requires posting of rate calculation forms on county website; provide for real time tax database operated by the tax notice officer of the CAD; taxing unit officials enter rate calculation information to the website. Requires each taxing unit to maintain or have access to a website and to post certain information on the website concerning members of the governing body, tax rates, and budget; repeals taxing unit challenge based on appraisal level; changes deadline for ARB approval of the appraisal records to July 5; includes various administrative provisions related to special panels; requires notice of ARB hearing to include subject matter; revises chief appraiser's notice concerning advance copies of evidence; forbids charging for copies of evidence requested; authorizes delivery of advance copies of evidence by reference to a website in addition to mail or electronic transfer; prohibits ARB from increasing appraised value above the amount submitted

with the appraisal records; requires ARB to issue order within 15 days of hearing; allows agent to file multiple request for same day consecutive hearings on up to 20 properties; allows consecutive scheduling of all protests filed by an owner or the owner's designated agent, with restrictions; prohibits offering previously requested evidence that was not delivered 14 days in advance through documents, argument, or testimony; prohibits Sunday hearings or hearings starting after 7 PM; requires arbitrators to complete training courses; deletes requirement that arbitrators reside in the county, subject to objection by the property owner. Makes conforming amendments to various Codes and Laws. It appears a water district ratification is mandatory, but the rollback percentage remains at 8%. Various effective dates.

#### **HB 54 by Zerwas Multiple changes to protests and appeals**

This bill provides for a property tax administration advisory board appointed by comptroller; Sets specific hours for ARB training; Provides for comptroller training of arbitrators; Modifies requirements for ARB survey; Makes ARB relative ineligible for appointment to ARB; Modifies ARB term limits in large counties; Local administrative judge selects ARB chairman and secretary in all counties; Panel decision by majority; Subject matter included in notice of protest; Requires chief appraiser to deliver evidence she "will" present upon request; Prescribes mode of delivery for evidence; Extends two hour wait time postponement to agent represented accounts; Scheduling of consecutive hearings for all property of an owner or agent; Written document evidencing ARB signature on ex parte affidavit; Prohibition on offering undelivered evidence; Prohibition on Sunday and late evening hearings. *Effective:1/1/20*

#### **HB 97 by Rodriguez, Eddie Urban farm bill; adds fruits and vegetables & small scale production to 1-d-1 agricultural appraisal**

This bill amends the definition of qualified land in Sec. 23.51, Tax Code. The chief appraiser is required to distinguish degrees of intensity required for common and uncommon production methods, including organic, sustainable, pastured poultry, and rotational grazing. The definition of agricultural use in that section is amended to include production of fruits and vegetables. New Sec. 23.5215 requires the comptroller to develop guidelines for certain uncommon agricultural uses. The comptroller must work in consultation with Texas A&M AgriLife Extension service and representatives of CADs and producers selected by the comptroller. The guidelines must specifically address degree of intensity for cumulative multiple agricultural uses of land and guidelines for determining under what conditions tracts under 10 acres used for fruit, vegetables, poultry, hogs, sheep, or goats may qualify. The guidelines must prohibit conversion of qualified land to wildlife management. Guidelines may address recordkeeping requirements and may consider financial investment, active management, percentage of tract used, and any other factor the comptroller considers appropriate. The comptroller must provide education resources to chief appraisers. Guidelines must be distributed on or before 9/1/2020 *Effective:9/1/2019*

#### **HB 160 by Raymond Disability exemption for parent/guardian of disabled minor**

This bill amends Sec. 11.13 to extend the disability homestead exemption to the parent or guardian of a disabled minor who resides with the parent/guardian. Other statutes are amended to conform. *Effective:1/1/2020, if Const Amendmt passes*

#### **HB 163 by Canales Three year rollback tax**

This bill amends Sec. 23.55, Tax Code, to reduce the "rollback" additional tax period from five years to three years. Applies to changes in use of land on or after the effective date. *Effective:*

#### **HB 164 by Raymond Exclusion of value added by ADA compliant improvements or features**

This bill adds Sec. 23.015, Tax Code, to provide that in valuing property the chief appraiser excludes value added by improvements or features whose primary purpose is ADA compliance. Applies only to features/improvements made on or after 1/1/19. *Effective:1/1/2020 if Constitutional amendment passes*

#### **HB 185 by Bernal Study program for sales disclosure**

Would require the comptroller to conduct a study of the impact of sales disclosure on property taxation. *Effective:Immediate effect*

#### **HB 240 by Bernal Installment payments of homestead taxes**

Would amend Sec. 31.031 to allow all homeowners to pay taxes in installments. *Effective:1/1/20*

**HB 275 by Miller, Rick Exemption for survivor of armed forces member fatally injured or killed in line of duty**

Amends Sec. 11.133 by substituting "killed or fatally injured in the line of duty" for "killed in action." This will expand the scope of the exemption. *Effective:1/1/2020 if Constitutional amendment passes*

**HB 297 by Murr Raises sales tax rate to 12%; substitutes limited "enrichment" tax for school M&O taxes.**

This is a highly complex bill that appears intended to substitute state funding for local M&O taxes. *Effective:10/1/2020*

**HB 322 by Geren Extends 65+/-disabled tax ceiling to all taxing units**

This bill amends Sec. 11.26, Tax Code, to apply the limitation on taxes provided by that section to all taxing units. Various transition provisions address calculation of the limitation for those who qualified for the school tax or optional city/county tax limitations prior to 2020. Various statutes are amended to conform. *Effective:1/1/2020 Constitutional amendment passes HJR 26*

**\*\*\*HB 360 by Murphy Extends Chap 312 Tax Code until 2029**

This bill amends Sec. 312.006, Tax Code, to extend the expiration date of chapter 312 until 2029 *Effective:Immediate*

**\*HB 380 by Geren Appeal of ARB determination that it lacks jurisdiction**

This bill amends Sec. 42.01, Tax Code, to add a new ground for appeal. New subsection (E) allows an appeal on the basis that the ARB lacks jurisdiction over a protest or Sec. 25.25 motion because the owner did not exhaust administrative remedies. New paragraph (c) provides that an owner who establishes that the ARB had jurisdiction to issue a final determination of a protest or motion is entitled to determination of the protest or motion by the court on any ground available, irrespective of whether the owner included the ground in the owner's notice of protest.

The bill adds Sec. 42.231, which applies to appeals of orders determining protests or 25.25 motions. It states that if a plea to the jurisdiction raises exhaustion of remedies, the court has the option to remand the case to the ARB "with instructions to allow the property owner an opportunity to cure the property owner's failure to exhaust administrative remedies." Such an action is considered a timely protest, and the determination of the protest may be appealed back to the remanding court. No jurisdictional plea on the basis of exhaustion may be raised on remand. The parties may agree, with approval of the court, to waive remand and have the court determine the appeal on the merits. If the parties waive remand each party is considered to have exhausted the party's administrative remedies. The bill applies to appeals filed on or after the effective date. *Effective:9/1/2019*

**HB 383 by Bohac Reduce homestead cap to 5%**

This bill amends Tax Code Sec. 23.23 to provide that the homestead limitation is reduced from 10% to 5%. The bill applies to tax years on or after the effective date. *Effective:*

**HB 384 by Bohac Total homestead for 80 and above**

This bill amends Sec. 11.13, Tax Code, to provide for a total homestead exemption for an individual 80 years of age or older. The exemption will pass to a surviving spouse who remains in the homestead. Secs. 11.42, 11.43, 26.10, 26.112, and 33.01 are amended to conform. Chapters 41, 42, 44, and 46, Education Code, are amended to conform. Sec. 403.302, Gov't Code, is amended to conform. *Effective:1/1/20 contingent on constitutional amendment HJR 28*

**HB 388 by Murphy Property leased to charter school**

This bill adds Sec. 11.211, Tax Code. The section exempts portions of real property that are leased to an open enrollment charter school that is authorized by Chapter 12, Subchapter D, Education Code and meets the requirements of Sec. 11.21(d), Tax Code (private school). The real property must be used exclusively for educational functions and reasonably necessary for the operation of the school. The owner must certify in an affidavit that the rent will be reduced in an amount equal to the tax savings. The owner must provide the school a disclosure statement regarding savings and the method of ensuring they are passed on, and the rent

must reflect the reduction. Sec. 25.07 does not apply to a leasehold interest in property exempted under the section. *Effective:1/1/18 contingent on constitutional amendment HJR 31*

#### **HB 453 by Shaheen Homestead Exemption for certain physicians**

This bill amends Sec. 11.13 to allow counties to give a homestead exemption of up to 50% of value to a qualifying physician who provides indigent health services without seeking payment from any source. *Effective:1/1/18 contingent on constitutional amendment HJR 33*

#### **HB 470 by Paul Truth in Taxation**

This bill amends Sec. 26.04 to substitute 1.04 for 1.08 in the rollback rate formula for most taxing units. Permits small taxing units (under 40,000) to use 1.08. Any unit in a disaster area may use 1.08. Amends Sec. 26.08 to make tax ratification election required for all units other than small units that exceed their rollback rate. Excepts the year following a disaster if increased expenditures are needed for response and governor has requested federal disaster aid. Modifies language of tax rate notice under Sec. 140.010, Local Government Code. Various conforming amendments. *Effective:*

#### **HB 483 by Phelan Elected CAD Board**

This bill provides for election of the CAD Board of Directors. A five member board consists of one member elected from each commissioners precinct and the county assessor-collector. If the TAC is ineligible, a fifth member is elected at large. Various conforming amendments. *Effective:1/1/2019*

#### **HB 484 by Phelan Correction to sale price**

This bill adds Sec. 25.25(c-1) allowing the ARB to reduce the appraised value of a homestead in the current and two preceding years to the sale price of the property in the current tax year, if the sale price is at least 10% lower than the value and the board finds it reflects market value. Other subsections are amended to conform. *Effective:Immediate effect*

#### **HB 490 by Shine Appraisal and rate notices**

This bill provides for a property tax administration advisory board appointed by comptroller; requires comptroller to prescribe tax rate calculation forms in conjunction with a committee appointed by the comptroller; requires the comptroller to publish a statewide list of tax rate information on its website; deletes estimated taxes from the Section 25.19 appraisal notice; renames the effective tax rate the "no-new-revenue" rate; allows taxing units to post Sec. 26.04 rate notices on their website rather than mailing or publishing them in a newspaper; requires the CAD to deliver a new notice of estimated taxes by August 7 or as soon after as practicable to each taxpayer; requires CAD to maintain a database of property tax information meeting specified standards; and allows comptroller to adopt rules regarding form, format, and delivery; allows injunction against rate adoption if chief appraiser fails to comply in bad faith; prohibits units other than school districts from holding hearings or rate adoption meetings until the seventh day after the CAD delivers the new notice; makes conforming amendments to various provisions. *Effective:1/1/20 unless otherwise specified*

#### **HB 491 by Shine Appointment and compensation for ARB members**

This bill allows the CAD board in a county of less than 120,000 to require the administrative district judge to appoint members of the ARB. The bill requires ARBs in counties of over 120,000 to establish bank accounts for the purpose of payment of per diem and expenses for their members; the CAD must deposit the amount provided in the CAD budget for such expenses in the account. Finally, the bill requires the appraisal office to provide clerical assistance to the ARB. *Effective:*

#### **\*HB 492 by Shine Temporary exemption for disaster damaged property**

This bill repeals the current disaster reappraisal provision (Sec. 23.02) and replaces it with a local option temporary exemption. New Sec. 11.35 applies to business personal property and to improvements to real property located in a governor-declared disaster area. The property must be at least 15% damaged, and, for business personal property, be the subject of a rendition or report establishing situs in the area for the disaster year. Procedures and deadlines for adopting the exemption are specified. Four tiers of exemption, ranging from 15 to 100 percent, are authorized depending on degree of damage. The exemption is prorated to the date of disaster declaration. Provisions for corrected bills and refunds are specified. Owners must apply

not later than 45 days after the date the exemption is adopted. A notice of the chief appraiser's action on an application is required within five days after determination. A protest must be filed not later than the 30th day after the date the property owner receives the notice. The property owner may protest only modification or denial of an application or the determination of the appropriate damage assessment rating. A taxing unit may not challenge the grant of an exemption. § 403.302 government code is amended to conform. *Effective:*

#### **HB 493 by Shine Disaster Exemption**

This bill repeals the current disaster reappraisal provision (Sec. 23.02) and replaces it with a local option temporary exemption. New Sec. 11.35 applies to business personal property and to improvements to real property located in a governor-declared disaster area. The property must be at least 15% damaged, and, for business personal property, be the subject of a rendition or report establishing situs in the area for the disaster year. Procedures and deadlines for adopting the exemption are specified. Four tiers of exemption, ranging from 15 to 100 percent, are authorized depending on degree of damage. The exemption is prorated to the date of disaster declaration. Provisions for corrected bills and refunds are specified. Owners must apply not later than 45 days after the date the exemption is adopted. A notice of the chief appraiser's action on an application is required within five days after determination. A protest must be filed not later than the 30th day after the date the property owner receives the notice. The property owner may protest only modification or denial of an application or the determination of the appropriate damage assessment rating. A taxing unit may not challenge the grant of an exemption. § 403.302 Government Code is amended to conform. Section 140.012, Local Government Code is amended to provide for disaster exemption assistance payments from the state if the taxing unit pays a refund to a person under section 11.35. *Effective:*

#### **HB 499 by Button Extends Chap 312 Tax Code until 2029**

This bill amends Sec. 312.006, Tax Code, to extend the expiration date of chapter 312 until 2029 *Effective:*

#### **HB 564 by Nevarez Taxation of compressors as heavy equipment**

This bill amends Sec. 23.1241, Tax Code, to provide that a natural gas compressor package or unit is not included within the definition of heavy equipment. *Effective:1/1/20*

#### **HB 567 by Capriglione Provides ISD wealth adjustment for security costs**

Excludes revenue per student spent on campus security from wealth per student for school finance. *Effective:9/1/19*

#### **HB 569 by Capriglione School tax bills**

Requires certain school districts to include information about purchase of attendance credits on the tax bill. *Effective:1/1/20*

#### **HB 614 by Murphy Interest on Rollback Taxes**

This bill amends various sections of Chapter 23, Tax Code, to delete interest from rollback tax calculations. Secs. 23.55, 23.76, and 23.9807 are amended to reduce the rollback period from five to three years. *Effective:9/1/19*

#### **HB 622 by Neave Temporary tax ceiling for disaster damaged property.**

This bill provides a temporary tax ceiling for disaster damaged homesteads. New Sec. 11.261 provides that the taxing unit may not increase taxes over the amount imposed on a damaged homestead for the year it became uninhabitable. The owner must apply by the first anniversary of the date the homestead became uninhabitable or unusable as a result of the natural disaster. The limitation extends until the first tax year following the fifth anniversary of the disaster or the date the property is no longer the homestead of the owner or surviving spouse. The limitation will pass to a surviving spouse under specified conditions. The bill provides for corrected tax bills and refunds if needed. The chief appraiser determines loss from the tax ceiling for school districts and reports it to the comptroller. Various sections are amended to conform. *Effective:1/1/20 contingent on constitutional amendment*

**HB 634 by Buckley City Military facility**

Amends Sec. 140.011(a)(2) Loc Gov't Code to change the definition of local government to include a municipality partially or totally located in a county in which a US military installation is located.

*Effective:1/1/19*

**\*HB 639 by Springer Adds prior use requirement for ecological laboratory open-space land**

This bill amends Sec. 23.51(1) to require that land used principally as an ecological laboratory must have been used principally in that manner by the college or university for five of the preceding seven years to qualify for agricultural appraisal. Applies to appraisal on or after effective date. *Effective:1/1/2020*

**HB 664 by King Limit on recapture of property tax revenue**

This bill adds Sec. 41.0932, Education Code, which provides that a school district may not be compelled to purchase attendance credits for an amount that exceeds 60% of the M&O tax revenue the district collects in the year the purchase agreement is executed. *Effective:9/1/19*

**HB 665 by King Current year value in school funding**

This bill amends Sec. 41.004(a), Education Code, to base foundation school program calculations on current rather than prior year values. *Effective:9/1/19*

**\*HB 705 by Geren County sales tax for property tax relief**

This bill adds Chapter 328, Tax Code, allowing a county to adopt an additional sales tax of 1% to reduce the county's property tax rate. *Effective:9/1/19 and 1/1/20*

**HB 711 by Landgraf FSP Adjustments**

This bill provides for adjustments in foundation school funding for districts that receive certain federal funds or are unlikely to produce projected revenue because of high prevalence of mineral rights in their tax base. *Effective:9/1/19*

**HB 712 by Landgraf Robin Hood Repeal**

This bill repeals Chapter 41, Education Code. *Effective:9/1/19*

**HB 716 by Leach Severely disabled veteran homestead exemption**

This bill adds Sec. 11.136, Tax Code, providing that a "severely disabled veteran" – one with a disability rating of 80 percent or greater, but less than 100%, is entitled to a homestead exemption of a percentage equivalent to the disability rating. The exemption will pass to a surviving spouse under certain conditions. That spouse may transfer the dollar benefit of the exemption to another homestead. Various sections are amended to conform. *Effective:1/1/20 contingent on constitutional amendment*

**HB 735 by VanDaeaver School rollback rate**

This bill provides an alternate rollback rate calculation for school districts whose tax rate was adopted by election in 2006 or subsequent years. New Sec. 26.08(g) is added. *Effective:Immediate effect*

**HB 768 by Davis Mandatory reappraisal of disaster property**

This bill amends Sec. 23.02 to mandate reappraisal of property damaged in a disaster, if located in a disaster area declared by the governor. Property must have sustained at least five percent damage according to FEMA or a successor agency. The owner may refuse reappraisal. The chief appraiser must complete the reappraisal within 45 days of disaster declaration unless FEMA has not completed its damage estimates by that date. The comptroller is given rulemaking authority. *Effective:Immediate effect*

**HB 794 by King Repeal of Open-space rollback**

This bill repeals Sec. 23.55, Tax Code, providing for rollback taxes on open-space (Subchapter D) agricultural land. Various sections are amended to conform. *Effective:9/1/19*

**HB 821 by Leach J Information required to be included in or with a school district ad valorem tax bill.**

Would amend Sec. 31.01, Tax Code, to require school tax bills to include information related to purchase of average daily attendance credits, if applicable. Effective 1/1/20

**HB 827 Rose Exemption from ad valorem taxation of an improvement that is necessary to support the continued use or existence of a historic site.**

Would amend Sec. 11.24, Tax Code to allow taxing units to exempt structures and land necessary to support exempted archeological or historic sites on same or adjacent parcel. Effective 1/1/20

**HB 834 Hernandez. Authority of a county to adopt a land bank program.**

Would add Chapter 388, Local Government Code, allowing counties to adopt a land bank program for affordable housing. Property to be sold for delinquent taxes could be sold to the land bank. Amends Sec. 11.18, Tax Code, to include acquiring, holding, and transferring unimproved real property under a county land bank program among charitable purposes. Effective 9/1/19.

**HB 841 Bucy J Calculation of the rollback tax rate of a school district.**

Would amend Sec. 26.08, Tax Code, to change the rollback rate calculation for schools that have had tax rates approved by election since 2006. Immediate effect.

**HB 845 Lozano J Eligibility of property used for a water desalination project for ad valorem tax benefits under the Texas Economic Development Act.**

Would amend Sec. 313.024, Tax Code, to add water desalination projects as an eligible use. Effective 9/1/19

**\*HB 861 Anchia R Calculation of penalties and interest resulting from the final determination of an ad valorem tax appeal that changes a property owner's tax liability.**

Would amend Sec. 42.42, Tax Code, to provide that penalty and interest on the unpaid portion of taxes due following an appeal only becomes due if the owner does not pay the unpaid portion by the delinquency date for the supplemental tax bill. Effective 9/1/19.

**HB 878 Bell C Limitation on increases in the appraised value of real property for ad valorem tax purposes.**

This bill amends Sec. 23.23, Tax Code, to extend the limitation on appraised value provided by that section to all real property. For property other than residence homesteads that is owned by two or more persons, the limitation expires on January 1 following the transfer of at least a 50% interest in the property. Various conforming and transition amendments are included. Effective 1/1/20, contingent on constitutional amendment.

**HB 905 Bernal D Exemption from ad valorem taxation of the total appraised value of the residence homestead of an unpaid caregiver of an individual.**

Would provide a total exemption for the homestead of a parent, grandparent, or legal guardian who acts as an unpaid caregiver for an individual who qualifies for specified Medicaid long term services and support. Makes various conforming amendments. Effective 1/1/20 contingent on constitutional amendment.

**HB 913 Shaheen M Calculation of the ad valorem rollback tax rate of a taxing unit other than a school district.**

Would amend Sec. 26.04, Tax Code, to substitute 1.04 for 1.08 in calculation of a taxing unit's rollback tax rate. Makes conforming amendments to Sec. 49.236, Water Code and repeals Sec. 49.2361. Transition provisions address units that have adopted rates before the effective date. Immediate effect.

**HB 945 Metcalf W Limitation on increases in the appraised value of real property for ad valorem tax purposes.**

This bill amends Sec. 23.23, Tax Code, to extend the limitation on appraised value provided by that section to all real property. For property other than residence homesteads that is owned by two or more persons, the limitation expires on January 1 following the transfer of at least a 50% interest in the property. Various

conforming and transition amendments are included. Effective 1/1/20, contingent on constitutional amendment.

**HB 946 Metcalf W Limitation on increases in the appraised value of a residence homestead for ad valorem taxation.**

This bill amends Tax Code Sec. 23.23 to provide that the homestead limitation is reduced from 10% to 5%. The bill applies to tax years on or after the effective date. Effective 1/1/20 contingent on constitutional amendment.

**HB 948 Metcalf W Period for which certain land owned by a religious organization for the purpose of expanding a place of religious worship or constructing a new place of religious worship may be exempted**

Would extend the exemption period for contiguous land held for expansion under Sec. 11.20 from six to ten years. Effective 1/1/20

**HB 950 Lucio III Authority of an appraisal review board to determine the appraised value of property that is the subject of a protest to be an amount greater than the appraised value as shown in the appraisal records.**

Would amend Sec. 41.47, Tax Code, to provide that the ARB may not increase appraised value above the amount shown in the appraisal records submitted to the board. Effective 1/1/20

**HB 959 Johnson J Calculation of the rollback tax rate of a school district.**

Would amend Sec. 26.08, Tax Code, to change the rollback rate calculation for schools that have had tax rates approved by election since 2006. Immediate effect.

**HB 968 Gonzalez M Provision of funding under the foundation school program on the basis of property values that do not take into account optional homestead exemptions.**

Amends Sec. 403.302, Government Code, to delete paragraph (d)(2), which currently includes one-half of the total amount of local option percentage homestead exemptions in school taxable value. Makes various conforming amendments. Effective 9/1/20

**HB 994 Guillen R Procedures for protests and appeals of certain ad valorem tax determinations.**

This bill amends Sec. 41.45(b) to require the chief appraiser and the ARB to review evidence and argument provided by affidavit before the protest of a hearing. The bill adds Subchapter B-1 to Chapter 42, providing for small claims appeals of ARB hearings. Subchapter B-1 is bracketed to apply only to a specific small county. The subchapter expires January 1, 2025. *Effective:9/1/2019*

**HB 1032 Bohac D Limitation on the total amount of ad valorem taxes that taxing units may impose on the residence homesteads of individuals who are disabled or elderly and their surviving spouses.**

This bill amends Sec. 11.26, Tax Code, to apply the limitation on taxes provided by that section to all taxing units. Various transition provisions address calculation of the limitation for those who qualified for the school tax or optional city/county tax limitations prior to 2020. Various statutes are amended to conform. *Effective:1/1/2020 Constitutional amendment passes HJR*

**HB 1034 Bohac D Repeal of provisions requiring school districts to reduce their wealth per student to the equalized wealth level.**

This bill repeals Chapter 41, Education Code. *Effective:9/1/19*

**HB 1036 Beckley M Mandatory sales price disclosure in real property sales.**

This bill would add Sec. 12.0013, Property Code, requiring that instruments conveying real property under a contract for sale disclose the sales price of the property. Would impose a penalty against the purchaser for each violation. Effective 9/1/19

**HB 1050 Lucio III The procedure by which information required to be included in a notice of appraised value may be provided to a property owner by the chief appraiser of an appraisal district.**  
Would amend Sec. 25.19 to allow chief appraiser to provide five year percentage change, information relating to application for homestead exemptions, and copy of the comptroller's protest pamphlet by referring the owner to the district's internet website. Effective 1/1/20

**HB 1056 Bohac D Exemption from ad valorem taxation of leased motor vehicles that are not held primarily for the production of income by the lessee.**  
Would amend Sec. 11.252, Tax Code, to allow exemption of vehicles leased to the state or to a 501(c)(3) exempt organization. Effective 9/1/2019

**\*HB 1060 Bell C Authority of a property owner to request that notice of a protest hearing before the appraisal review board be delivered by certified mail or electronic mail.**  
Would amend Sec. 41.46 to allow an owner to request delivery of notice of an ARB hearing by certified mail. The ARB could require the owner to pay the postage cost. Alternatively, the owner may request delivery by electronic mail if the owner provides an email address. Sec. 1.085 is amended to provide that an owner need not make an agreement under than Section to request electronic delivery of the hearing notice. Eff. 9/1/19

**HB 1062 Wray J Eligibility of the surviving spouse of an individual who is disabled to receive a limitation on the school district ad valorem taxes on the spouse's residence homestead.**  
Would amend Sec. 11.26, Tax Code, to provide that the surviving spouse of a disabled person who dies on or after January 1, 2013 is entitled to retain the disabled person's tax ceiling. The limitation for tax years 2013 – 2019 is calculated as if the survivor was entitled to the limitation when the disabled person died. However, the bill applies only to taxes imposed on or after the effective date. Effective 1/1/20 contingent on constitutional amendment.

**HB 1077 White J School finance, supporting public education funding through an increase in the state sales and use tax rate, and requiring a reduction in school district maintenance and operation ad valorem taxes.**  
Would increase the state sales tax rate to 7.25% and allocate additional revenue to school districts. Recipient districts would be required to reduce their maintenance and operations tax rates to offset the additional revenues received. Effective 1/1/20

**HB 1081 Raymond R Correction of an ad valorem tax appraisal roll and related appraisal records.**  
Would amend Sec. 25.25 to allow a correction for the current and two preceding tax years for an appraisal error resulting from an error or omission in the rendition. Would not apply to an owner who did not timely file the rendition or had a protest determination, or established the value for the year by written agreement. Applies to motions filed on or after the effective date. Effective 9/1/2019

**HB 1090 Bell C Definition of first responder.**  
Would amend Sec. 421.095, Government Code, to include emergency response operators, dispatchers and other emergency response personnel to the list of "first responders." Effective 9/1/19

**HB 1102 Bernal D Limitation on total amount ad valorem taxes**  
Would add Sec. 11.262, Tax Code, providing a school tax limitation for homesteads that have had the homestead exemption in effect for 15 consecutive years or more. If the school taxes imposed in the 15<sup>th</sup> year exceed taxes from the first year by 20% or more, school taxes in succeeding years can not exceed the least of: current year taxes as calculated; school taxes imposed in the 15<sup>th</sup> year; or school taxes as limited by the current Sec 11.26 tax ceiling. Increases in taxes prior to 2006 are excluded. The limitation passes to a surviving spouse. The limitation will increase if the owner makes new improvements, subject to some exceptions. Various conforming amendments are included. Effective 1/1/2020, contingent on constitutional amendment.

**HB 1116 Wray J Limitations periods suits against real estate**  
Would add Sec. 16.013, Civ. Practice & Rem. Code, setting limitations periods for suits relating to an appraisal. Effective 9/1/19

**HB 1148 Murphy J Rate at which interest accrues on deferred taxes**

Would amend Sec. 33.06(d), Tax Code, to change the interest rate on deferred taxes to the 5 year constant maturity Treasury rate. Amends Sec. 33.065(g), Tax Code, to conform. Effective 9/1/19.

**\*\*\*HB 1188 Hefner C Relating to the appraisal of land for ad valorem tax purposes**

Would add Sec. 23.54, Tax Code, providing that qualified land remains eligible for open space appraisal following a transfer of ownership to a relative within the 2<sup>nd</sup> degree by affinity or 3<sup>rd</sup> degree by consanguinity. The new owner must notify the CAD within 180 days of transfer. Would also add new paragraph (d-1) to Sec. 25.25, Tax Code. This would allow the ARB, on motion of the owner or chief appraiser, to reduce value of land for the two preceding years to its productivity value. Either party must provide clear and convincing evidence that the land received open-space appraisal in three of the preceding five years, the appraisal was canceled for failure to file a new application after change of ownership, the transfer was to a relative as described above, and the qualifying use continued. If the correction occurs, the owner must pay each taxing unit a penalty equal to 10% of the difference in taxes. The roll cannot be

**HB 1194 Dutton H Low income housing for school district**

Would add Sec. 11.1828, exempting property owned for the purpose of building qualifying low income housing from school taxes for up to three years. Different qualifying standards apply to rural and urban areas. The property must be located either in a municipal management district or within 1 mile of the campus of the school district. The section includes a rollback provision if property is sold, leased, or rented to a person who does not qualify. Makes other conforming amendments. Effective 1/1/20 contingent on constitutional amendment.

**HB 1201 Raymond R Low income housing exemption**

Would amend Sec. 11.18, Tax Code, to exempt property used to provide counseling services without regard to ability to pay and rental housing provided to low and moderate-income individuals and families at below market rates. Effective 1/1/2020.

**HB 1213 Hefner C Agricultural Rollback Repeal**

This bill repeals Sec. 23.55, Tax Code, providing for rollback taxes on open-space (Subchapter D) agricultural land. Various sections are amended to conform. Effective:9/1/19

**HB 1229 Shaheen M Posting required notice by political**

Would add Sec. 2051.151, Government Code, allowing political subdivisions to post newspaper notices on internet or social media websites rather than publish them in the newspaper. Immediate effect.

**HB 1247 Ashby T Liability additional tax imposed on land**

Would amend Sec. 23.46, Tax Code, to provide that rollback taxes on 1-d agricultural land that are imposed as a result of condemnation are the personal liability of the condemning entity. Effective 1/1/2019.

**\*\*\*HB 1254 Murphy J Eligibility land secured by home equity loan 1/31**

Would repeal Sec. 23.42(a-1), Tax Code. Effective 1/1/2020.

**HB 1265 Bailes E Transfer limitation established by a county 1/31**

Would amend Sec. 11.261, Tax Code, to allow the recipient of a tax limitation under that section to transfer it to a residence in a different city, county, or junior college district that provides for the limitation. Effective 1/1/2020 contingent on constitutional amendment.

**HB 1299 Davis S requiring the comptroller of public accounts to establish and maintain a political subdivision disaster expenditure database.**

Would add Sec. 403.0243, Government Code, to require the comptroller to maintain a database of disaster aid payments and expenditures by political subdivisions. Effective 9/1/19.

**HB 1313 King P Relating to the authority of the chief appraiser of an appraisal district to increase the appraised value of property in the tax year following the year in which the appraised value of the property is lowered as a result of a protest or appeal.**

Would amend Sec. 23.01(e), Tax Code, to change the evidence standard for increasing a previously reduced value from “substantial” to “clear and convincing.” Effective 1/1/20

**HB 1333 Krause M Administration the ad valorem tax system**

Omnibus bill would provide for delivery of notices related to value increases or modifications or cancellations by email; prevent officers or employees of a taxing unit from serving on the board of directors; prevents CADs from employing officers or employees or taxing units; requires chief appraiser to keep and provide upon request a list of real estate brokers, agents, licensed appraisers, or registered tax consultants who will provide free assistance to homeowners; requires consideration of cosmetic defects in appraising property; requires notice to owner occupied residences that do not presently have homestead exemptions; requires separate notice of canceled or reduced exemption. Existing directors may complete terms. Effective 1/1/20

**\*\*\*HB 1409 Ashby T Qualification of land appraisal for ad valorem 2/ 5**

Would amend Sec. 23.72, Tax Code, to provide that roads, rights of way, buffer areas, firebreaks, or land subject to a right of way taken by eminent domain do not disqualify land for consideration as timber land, providing the remainder of the parcel qualifies. Would add Sec. 23.765, providing that oil and gas operations do not disqualify land if the remaining land continues to qualify. Makes conforming amendments to Subchapter H. Effective 9/1/2019.

**HB 1414 Craddick Exemption for charities providing alcoholism support services**

Would amend Sec. 11.18, Tax Code, to include providing a meeting place and support services for organizations that in turn provide assistance to alcoholics and their families without regard to ability to pay. Effective 1/1/2020.

**HB 1444 Patterson, Jared Relating to the calculation of the ad valorem taxes imposed on real property on the basis of the lesser of the appraised value of the property or the average appraised value of the property over a specified time period.**

Would add Sec. 26.095, Tax Code, requiring the assessor to calculate real property taxes on the basis of the lesser of the appraised value for the current year or the average appraised value for the preceding five years. The assessor excludes years in which the property value is at least 50 percent below the appraised value of the property in the preceding tax year. For properties that have lost a Sec. 23.23 cap, the assessor considers only years not subject to the cap. Transition provisions use three year and four year averages for 2020 and 2021 taxes, respectively. The 25.19 notice and the tax bill must contain information with respect to the average calculation. Effective 1/1/20, contingent on constitutional amendment (HJR 65)

**HB 1484 Metcalf, Will Relating to the selection of the board of directors of an appraisal district.**

Would amend Sec. 6.03, Tax Code, to provide for a five person board of directors for the appraisal district, with one elected at large and one elected from each commissioners’ precinct. The county assessor-collector would serve as a nonvoting member. Members would be elected at the general election for state and county officers and serve two year terms. Various conforming changes. Elected members would begin service on January 1, 2021. Various effective dates begin 9/1/19.

**HB 1485 Metcalf, Will Relating to the selection of the chief appraiser of an appraisal district.**

Would amend Sec. 6.05, Tax Code, to provide that the chief appraiser is elected by voters of the county at the general election for state and county officers. Would require at least four years’ residency to qualify. Various conforming amendments. Elected chief appraisers begin serving January 1, 2021, and existing chief appraisers serve until the elected person qualifies. Various effective dates begin 9/1/19.

**HB 1486 Metcalf, Will Relating to the selection and administration of an appraisal review board.**

Would amend Sec. 6.41, Tax Code, to provide for a five member appraisal review board, with one member elected at large and one elected from each commissioners’ precinct. Members would be elected at the general election for state and county officers and serve two year terms. Members could not serve more than four consecutive terms. The ARB could appoint auxiliary members as needed to hear protests and assist in

performance of the board's duties. Various conforming changes. Elected members would begin service on January 1, 2021. Various effective dates begin 9/1/19.

**HB 1526 Bell, Cecil Relating to the treatment of a nursery stock weather protection unit as an implement of husbandry for ad valorem tax purposes.**

Would amend Sec. 11.161, Tax Code, to include a nursery stock weather protection unit as an implement of husbandry. Effective 1/1/20.

**HB 1534 Munoz, Sergio Relating to the selection of the board of directors of an appraisal district.**

This bill provides for election of the CAD Board of Directors. A five member board consists of one member elected from each commissioners precinct and the county assessor-collector. If the TAC is ineligible, a fifth member is elected at large. Various conforming amendments. *Effective:1/1/2019*

**HB 1551 Hefner, Cole Relating to the selection of the chief appraiser of an appraisal district.**

Would amend Sec. 6.05, Tax Code, to provide that the chief appraiser is elected by voters of the county at the general election for state and county officers. Would require at least four years' residency to qualify. Various conforming amendments. Elected chief appraisers begin serving January 1, 2021, and existing chief appraisers serve until the elected person qualifies. Various effective dates begin 9/1/19.

**HB 1596 Lambert, Stan Relating to a local option exemption from ad valorem taxation by a county, municipality, or junior college district of a portion of the appraised value of the income-producing tangible personal property.**

Last Action: 2-11-19 H Filed

Would add Sec. 11.37, Tax Code, providing for a local option exemption by city, county, or junior college district of a dollar amount of the value of business personal property owned by a qualified veteran-owned business. Applies to those who begin doing business in the state on or after 1/1/2020; the business must apply within the five years of beginning operations. The exemption may be adopted by the governing body or by the voters and the exemption is \$30,000 or a smaller amount specified. Effective 1/1/20 contingent on constitutional amendment.

**HB 1606 Lambert, Stan Relating to a local option exemption from ad valorem taxation by a county or municipality of a portion of the appraised value of real property of a business that provides.**

Would add Sec. 11.38, Tax Code, providing a local option exemption by a city, county, or junior college district for qualifying property owned by a qualifying business that provides qualifying services to veterans, including housing, substance abuse treatment, residential treatment services, or mental health counseling. The exemption also applies to businesses that reimbursed a provider for such services in the amount of \$5,000 or more. The exemption applies to property reasonably necessary for and used in the business. The exemption is \$300,000 or a lesser amount calculated by multiplying 15,000 by the number of qualifying veterans provided service. Effective 1/1/2020, contingent on constitutional amendment.

**HB 1652 Huberty, Dan Relating to the public resale by means of a public auction using online bidding and sale of property purchased by a taxing unit at an ad valorem tax sale.**

Would amend Sec. 34.05(d), Tax Code, to allow a commissioners court to implement public auctions using online bidding and sale as described by Sec. 34.01(a-1). Immediate effect.

**HB 1703 Shaheen, Matt Relating to the eligibility of a person to serve on the appraisal review board of an appraisal district.**

Would amend Sec. 6.412, Tax Code, to prevent ARB members in counties with populations of 550,000 or more from serving more than three consecutive terms. Effective 1/1/2020.

**HB 1704 Shaheen, Matt**      **Relating to the eligibility of a person for appointment as an arbitrator in a binding arbitration of an appraisal review board order.**

Would amend Sec. 41A.07, Tax Code, to reduce the waiting period for appointment of an arbitrator after the person's service as a consultant, CAD officer or employee, or ARB member from five years to two years. Effective 9/1/2019.

**HB 1743 King, Tracy**      **Relating to the additional ad valorem tax and interest imposed as a result of a change of use of certain land.**

Would amend Secs 23.55 and 23.76, Tax Code, to reduce the rollback period for open-space and timber land respectively from five years to three years and to reduce the annual interest rate from seven percent to five percent. Applies only to change in use after the effective date. Effective 9/1/19.

**HB 1745 Geren, Charlie**      **Relating to the authority of a property owner or owner's agent to bring suit to compel an appraisal district, chief appraiser, or appraisal review board to comply with a procedural requirement applicable to an ad valorem tax protest**

Would add Subchapter E to Chapter 41, Tax Code. New Sec. 41.81 would allow an owner or the designated agent of the owner who has filed a protest to sue the CAD, the chief appraiser, or the ARB to compel them to comply with a procedural requirement established by Chapter 41 or an ARB rule that applies to the protest. Suit is filed in district court. The limited purpose is to determine whether the defendant failed to comply with the procedural requirement. The suit cannot address the merits of a Sec. 25.25 motion or of a protest. No discovery may be conducted. The court must set the hearing at the earliest possible date and determine the merits of the suit at the end of the hearing. If the court determines the defendant failed to comply, the court will order the defendant to comply, enter any other orders needed to preserve rights and impose duties, and award court costs and reasonable attorney fees to the owner or the designated agent. The order is final and may not be appealed. Effective 1/1/2020.

**\*HB 1802 Bohac, Dwayne**      **Relating to the deadline for filing a request for binding arbitration of certain appraisal review board orders.**

Would amend Sec. 41A.03, Tax Code, to extend the filing deadline for arbitration from 45 days to 60 days. Effective 9/1/19.

**\*HB 1815 Sanford, Scott**      **Relating to the deadline for filing an application for an allocation of the value of certain property for ad valorem tax purposes.**

Would amend Sec. 21.09 to change the deadline for filing an allocation application from April 1 to May 1. Effective 1/1/2020.

**HB 1816 Beckley, Michelle**      **Relating to ad valorem tax protests and appeals on the ground of the unequal appraisal of property.**

Would amend Secs. 41.43 and 42.26, Tax Code, to eliminate protests and appeals based on comparable appraised values, base calculations of sample values on the value submitted to the appraisal review board, and require the comptroller to establish standards for adjustments to industrial, petrochemical, and other unique properties. Would amend Sec. 42.29 to provide for attorney fees to the appraisal district not to exceed \$15,000 if it prevails in an appeal. Effective 9/1/19.

**HB 1841 Thompson, Senfronia**      **Relating to the appraisal for ad valorem tax purposes of a housing unit that the owner or a predecessor of the owner acquired from a community land trust.**

Would amend Sec. 23.21(d), Tax Code, to provide that in appraising housing located on land owned by a qualifying community land trust, the chief appraiser may not appraise the house at more than the house may be sold for under an eligible land use restriction (defined). Effective 9/1/19.

**\*HB 1842 Thompson, Senfronia**      **Relating to the application of the limit on appraised value of a residence homestead for ad valorem tax purposes to an improvement that is a replacement structure.**

Would amend Sec. 23.23(g), Tax Code, to change the definition of disaster recovery program by substitution "federal law" for specific statutory references. Effective 1/1/2020.

**HB 1882 Krause, Matt Relating to a request for binding arbitration to appeal appraisal review board orders involving two or more contiguous tracts of land.**

Would amend Sec 41A.03 to provide that tracts of land may not be considered to be noncontiguous on the basis of the classifications of the tracts of land, provided that the tracts of land constitute the same economic unit. Effective 9/1/19.

**HB 1883 Bonnen, Greg Relating to deferred payment of ad valorem taxes for certain persons serving in the United States armed forces.**

Would amend Sec. 31.02(b) and (c), Tax Code, to delete the current limit that eligible service members may defer tax payments only during a war or national emergency. Would amend Sec. 33.01 to provide that a delinquent tax paid following the end of such a deferral accrues interest at six percent a year and does not include a penalty. Effective 9/1/19

**HB 1885 Bonnen, Greg Relating to the waiver of penalties and interest if an error by a mortgagee results in failure to pay an ad valorem tax.**

Would amend Sec. 33.011, Tax Code, to authorize waiver of penalty and interest where the tax bill is sent to the mortgage company, the mortgage company failed to mail a bill to the owner, the owner does not escrow taxes, and the owner pays the tax within 21 days after the date the owner knew or should have known of the delinquency. Effective 1/1/2020

**HB 1970 Hefner, Cole Relating to the additional tax imposed on land appraised for ad valorem tax purposes as qualified open-space land if a change in use of the land occurs.**

Would amend Sec. 23.55, Tax Code, to reduce the rollback period for open-space land to two years. Applies to change of use on or after effective date. Effective 9/1/19.

**HB 1977 Cole, Sheryl Relating to a requirement that a fiscal impact statement be provided before a taxing unit may enter into a tax abatement agreement.**

Would add Sec. 312.008, Tax Code, requiring a fiscal impact statement before a taxing unit enters into a tax abatement agreement, The comptroller adopts rules for the minimum requirements for the statute. Effective 9/1/19, applies to agreements on or after January 1, 2020.

**HB 1978 Harris, Cody Relating to the repeal of the additional ad valorem taxes imposed as a result of certain changes in the use of agricultural or open-space land.**

Would amend Subchapters C and D, Chapter 23, to eliminate rollback taxes on 1-d and 1-d-1 land. Various conforming amendments. Immediate effect.

**HB 2008 Pacheco, Leo Relating to the establishment of a limitation on the total amount of ad valorem taxes that taxing units may impose on the residence homesteads of individuals who are disabled or elderly and their surviving spouses.**

This bill amends Sec. 11.26, Tax Code, to apply the limitation on taxes provided by that section to all taxing units. Various transition provisions address calculation of the limitation for those who qualified for the school tax or optional city/county tax limitations prior to 2020. Various statutes are amended to conform. *Effective:1/1/2020 if Constitutional amendment passes HJR 26*

**HB 2121 Bailes, Ernest Relating to the appraisal for ad valorem tax purposes of real property that includes improvements used for the noncommercial production of food for personal consumption.**

This bill would amend Sec. 23.014, Tax Code, to provide that in determining the market value of real property, the chief appraiser must exclude value related to improvements use for the noncommercial production of food for personal consumption. Effective 1/1/20

**HB 2124 Bailes, Ernest Relating to the treatment for ad valorem tax purposes of property that was erroneously omitted from an appraisal roll in a previous year.**

Would amend Sec. 25.21, Tax Code to provide that the governing body of a taxing unit may elect not to collect taxes or penalties imposed on omitted property for either of the two preceding years and may authorize the

collector to make an installment agreement for payment of the tax, penalty, and interest with the person liable for the taxes. Effective 9/1/19.

**HB 2129 Murphy, Jim Relating to the extension of the expiration of certain parts of the Texas Economic Development Act.**

Would amend Sec. 313.007, Tax Code, to extend the expiration date for Subchapters B and C to December 31, 2032. Immediate effect.

**HB 2159 Meyer, Morgan Relating to the correction of an ad valorem tax appraisal roll.**

Would amend Sec. 25.25(d) to permit correction of an error regarding unequal appraisal or excessive market value. Applies to motions filed on or after the effective date. Immediate effect.

**HB 2160 Raymond, Richard Relating to the qualification of land for appraisal for ad valorem tax purposes as qualified open-space land.**

Would amend Sec. 23.51 to allow an owner whose land qualifies for open-space appraisal to qualify adjacent land that the owner acquires and that is currently devoted to agricultural use to the degree of intensity generally accepted in the area. Effective 1/1/20

**HB 2179 Wray, John Relating to the grounds for imposing certain sanctions on certain persons for engaging in certain conduct in connection with the appointment of members of or the functions of appraisal review boards.**

Would amend Sec. 6.41 to delete the clear and convincing standard for evidence of repeated bias or misconduct and allow a property owner or a tax consultant to communicate directly with the administrative district judge regarding removal of an ARB member. Effective 9/1/19

**HB 2180 Wray, John Relating to the eligibility of a person to serve on the board of directors of an appraisal district.**

Would amend Sec. 6.035, Tax Code, to provide that former employees of an appraisal district are ineligible to serve on its board of directors. Effective 9/1/19.

**HB 2182 Toth, Steve Relating to the appraisal for ad valorem tax purposes of real property that includes improvements used for the noncommercial production of food for personal consumption.**

This bill would amend Sec. 23.014, Tax Code, to provide that in determining the market value of real property, the chief appraiser must exclude value related to improvements use for the noncommercial production of food for personal consumption. Effective 1/1/20

**HB 2220 Wray, John Relating to testimony by an appraisal district employee as to the value of real property in certain ad valorem tax appeals.**

Would repeal Sec. 42.23(i), Tax Code, which would otherwise take effect January 1, 2020. That section would prefer testimony by a CAD employee holding a TALCB license. Effective 9/1/19.

**HB 2257 Sanford, Scott Relating to the authority of an appraisal review board to direct changes in the appraisal roll for a prior year.**

Would amend Sec. 25.25(c), Tax Code to allow correction of errors in the square footage of property described in the appraisal roll. Effective 9/1/19.

**HB 2359 Sanford, Scott Relating to the authority of a taxing unit to authorize tax incentives for the development of property for gambling purposes.**

Would amend Secs. 312.204 and 313.024 to provide that certain property used for defined gambling establishments is ineligible for tax abatement or limitation of appraised value under the respective chapters. Effective 1/1/19.

**HB 2431 Springer, Drew** Relating to the authority of the commissioners court of a county to impose an additional vehicle registration fee and the effect of the fee on county ad valorem tax rates.

Would amend Sec. 502.401, Transportation Code, to allow commissioners courts to adopt an additional vehicle registration fee of up to \$15. Chapter 26 calculations are amended to subtract projected revenue from the tax from tax levy amounts. Effective 1/1/2020.

**HB 2435 Smith, Reggie** Relating to the confidentiality of the home or residence address of a state or federal judge or the judge's spouse in certain government records and documents.

Would make non-substantive revisions to Sec. 25.025(b)(2)(B) Tax Code, dealing with the definition of a federal or state judge. Immediate effect.

**HB 2438 Phelan, Dade** Relating to the extension of the expiration date of certain statutes authorizing ad valorem tax incentives for economic development.

Would amend Secs. 312.006 and 313.007, Tax Code, to extend expiration dates until December 31, 2032. Immediate effect.

**HB 2441 Wray, John** Relating to the entitlement of a person who is disabled and elderly to receive a disabled residence homestead exemption from ad valorem taxation from one taxing unit and an elderly exemption from another taxing unit.

Would amend Sec. 11.13(h), Tax Code to provide that a qualified disabled and elderly person may choose either exemption if a taxing unit offers both, and may receive both exemptions if the person receives the exemptions with respect to taxes levied by different taxing units. Effective 1/1/2020.

**HB 2446 Swanson, Valoree** Relating to the availability of personal information of firefighters, volunteer firefighters, and emergency medical services personnel.

Would reenact Sec. 25.025(a), Tax Code, to conform various amendments from the previous session and to add firefighters, volunteer firefighters, and emergency medical services personnel to the list of those who

**HB 2455 Goldman, Craig** Relating to the limitation of certain special district tax on the homesteads of the disabled and elderly.

Would amend Sec. 11.261, Tax Code, to allow regional water districts and hospital districts to offer a local option tax ceiling on 65+ and disabled person's homesteads. Effective 9/1/19.

**HB 2456 Kacal, Kyle** Relating to a local option exemption from ad valorem taxation of a portion of the appraised value of the residence homesteads of certain volunteer first responders.

Would amend Sec. 11.13, Tax Code, to allow taxing units to adopt an exemption of up to \$15,000 for homesteads of qualifying volunteer first responders. Effective 1/1/2020, contingent on constitutional

**HB 2480 Rosenthal, Jon** Relating to a limitation on the total amount of ad valorem taxes that may be imposed by a taxing unit on the residence homestead of a lower-income individual that is located in a homestead preservation district.

Would add Sec. 11.262, Tax Code, to allow a local option tax limitation for homes owned by lower-income individuals that are located in a homestead preservation district. Lower income individuals are those for whom household income is not greater than 60% of median family income, adjusted for household size, for the MSA in which the homestead is located. The limitation passes to a surviving spouse if the homestead is the spouse's homestead at the time the qualifying individual dies. Various conforming amendments. Effective 1/1/2020, contingent on constitutional amendment.

**HB 2494 Gonzalez, Jessica** Relating to provisions applicable to affordable housing located in a reinvestment zone in certain areas of the state.

Bracketed for Dallas County, would require a set aside of at least 20% of revenue from a tax increment fund in a specified type of reinvestment zone for development of affordable housing. Various other provisions apply. Effective 9/1/19.

**HB 2537 Oliverson, Tom Relating to the allocation and deposit of certain surplus state revenue to the property tax relief fund for use in reducing school district maintenance and operations ad valorem taxes.**

Would require the comptroller to allocate 90% of the amount by which general revenue received in a biennium exceeds 104% of the preceding biennium to the state property tax relief fund, and authorize TEA to appropriate money in the fund for use in providing property tax relief by reduction of the state compression percentage. Effective for the biennium beginning 9/1/21.

**HB 2574 Burrows, Dustin Relating to the administration of the ad valorem tax system.**

This bill provides for a property tax administration advisory board appointed by comptroller; Sets specific hours for ARB training; Provides for fee for nonmember attendance; Provides for comptroller training of arbitrator and arbitration manuals; Modifies requirements for ARB survey; Makes ARB relative ineligible for appointment to ARB; Modifies ARB term limits in large counties; Local administrative judge selects ARB chairman and secretary in all counties; Panel decision by majority; Subject matter included in notice of protest; Notice of hearing by certified mail to property owner if requested in protest; Requires chief appraiser to deliver evidence she "will" present upon request; Prescribes mode of delivery for evidence; Prohibits raising value above submitted record amount; Requires determination of protest and issuance of order within 15 days after hearing; Extends two hour wait time postponement to agent represented accounts; Scheduling of consecutive hearings for up to 20 hearings for an owner or agent and multiple requests; Consecutive scheduling of all of an owner or agent's protests at ARB option, with restrictions; Written document evidencing ARB signature on ex parte affidavit; Prohibition on offering undelivered evidence; Prohibition on Sunday and late evening hearings. *Effective:1/1/2020*

**HB 2617 Cole, Sheryl Relating to the fiscal year of certain political subdivisions.**

Would add Sec. 140.012, Loc. Gov't Code, to require political subdivisions created on or after September 1, 2019, to have the same fiscal year as the county in which they are wholly or primarily located. Effective 9/1/19.

**HB 2650 Goodwin, Vikki Relating to the procedure for the sale by auction of real property pursuant to foreclosure of a tax lien.**

Would amend Sec. 34.01, Tax Code, to include a licensed auctioneer's commission and fees in calculating the

**HB 2695 Lucio III, Eddie Relating to an exemption from ad valorem taxation of a portion of the appraised value of a residence homestead based on the average appraised value of all qualified residence homesteads located in the same county.**

Would amend Sec. 11.13, Tax Code, to authorize a local option homestead exemption in an amount equal to 10 to 25% of the average appraised value of qualified residence homesteads in the county. The chief appraiser determines the average appraised value according to the appraisal records as of August 1. Amends Sec. 25.19 to include an estimate of the exemption, if applicable, on the appraisal notice. Effective 1/1/2020, contingent on constitutional amendment.

**HB 2702 White, James Relating to the appraisal for ad valorem tax purposes of certain property that was erroneously omitted from an appraisal roll in a previous year.**

Would amend Sec. 25.21 to make omitted property assessments optional unless otherwise required by law. Effective 9/1/2019.

**HB 2719 Pacheco, Leo Relating to the election of the board of directors of an appraisal district.**

Would amend Sec. 6.03, Tax Code, to provide for a five member board of directors for the CAD, with the county tax assessor-collector serving as ex officio non-voting member. Each of the five members is elected at large by voters of the county. Various conforming amendments. Effective 1/1/2021.

**HB 2750 Hefner, Cole Relating to the selection of the board of directors of an appraisal district.**

Would amend Sec. 6.03, Tax Code, to provide for a five member board of directors for the CAD, with the county tax assessor-collector serving as ex officio non-voting member, one member elected by county voters at large, and four appointed by the taxing units. Would amend Sec. 6.031 to provide that if the size of the

board is increased, half of the total number of positions on the board must be elective positions. Various conforming amendments. Effective 1/1/2021.

**HB 2770 Martinez Fischer, Trey**      **Relating to the payment in installments of ad valorem taxes on a residence homestead.**

Would amend Sec. 31.031, Tax Code, to allow recipients of residence homestead exemptions to pay property taxes in 10 equal installments through the year. The first installment must be paid before delinquency and include a notice of intent to pay in installments. Remaining installments must be paid by the first of each of the nine succeeding months. Effective 1/1/20

**HB 2799 Sanford, Scott** **Relating to economic development.**

Would amend Chapter 312, Tax Code to remove a limitation excepting certain financial incentive information from disclosure before an agreement is made and to require municipalities to provide for application for tax abatement. Effective 9/1/19.

**HB 2804 Button, Angie Chen**      **Relating to the exemption from ad valorem taxation of tangible personal property consisting of certain food products held by the owner of the property for sale at retail.**

Would add Sec. 11.37, Tax Code, providing that food products exempt from sales and use tax under Sec. 151.314(a) of the code are exempt from property taxes if the owner holds them for sale at retail. Effective 1/1/2020 contingent on constitutional amendment.

**HB 2808 Shaheen, Matt**      **Relating to the publication of required notice by a political subdivision by alternative media and on the Internet.**

Would add Subchapter E to Chapter 2051, Gov't Code, requiring political subdivisions that must publish notices by newspaper to also publish them on a website maintained by the comptroller and on the subdivision's website.

**HB 2825 Geren, Charlie**      **Relating to disclosures and discovery regarding expert witnesses in civil actions.**

Would require, subject to exceptions, that expert witnesses retained or specially employed by a party to

**HB 2859 Caprignione, Giovanni** **Relating to the exemption of precious metals held in a depository in this state from ad valorem taxation.**

Would add Sec. 11.35, Tax Code, exempting "precious metals" that are held in a commercial depository, from taxation. Precious metal is defined by reference to the Government Code to be "a metal, including gold, silver, platinum, palladium, and rhodium, that: (A) bears a high value-to-weight ratio relative to common industrial metals; and (B) customarily is formed into bullion or specie. Effective on date constitutional amendment is approved.

**HB 2915 Springer, Drew** **Relating to state and local taxes and fees.**

Would amend Sec. 42.2516(a), Education Code to change the compression percentage formula for 2020. Would amend Sec. 11.13, Tax Code, to provide a new residence homestead exemption from school taxes. The exemption is equal to the lesser of (1) 50% of the difference between the property's appraised value and the total dollar amount of exemptions for which the owner qualifies; or (2) 150% of the median appraised value of all single family residences in the state, as determined by the comptroller. Would add Sec. 11.35, Tax Code, exempting inventory, defined as finished goods held for sale and raw or finished materials held to be incorporated in finished goods. Would amend Sec 23.1241, Tax Code, to redefine heavy equipment inventory as items held for sale at retail; includes various other revenue enhancement measures. Effective 1/1/2020, contingent on constitutional amendment.

**HB 2918 Shine, Hugh**      **Relating to the provision of state aid to certain local governments disproportionately affected by the granting of ad valorem tax relief to disabled veterans.**

Would amend Sec. 140.011, Local Government Code, to redefine general fund revenue to mean revenue from any source, including certain listed sources. Effective 9/1/19.

**HB 2993 Geren, Charlie(R) Relating to the appraisal for ad valorem tax purposes of certain nonexempt property used for low-income or moderate-income housing.**

Would amend Sec. 23.215, Tax Code, to provide directions for appraisal of property under construction or that has not reached stabilized occupancy. Effective 1/1/2020.

**HB 2996 Goodwin, Vikki (F)(D) Relating to the eligibility of land located in a residential subdivision for appraisal for ad valorem tax purposes as qualified open-space land.**

Would make land in a residential subdivision ineligible for special appraisal under Sec. 23.56, Tax Code. Effective 1/1/2020

**HB 3098 Toth, Steve(R) Relating to ad valorem taxation.**

Would amend multiple sections of the Tax Code to provide that the county assessor-collector governs the appraisal district. Would provide that ARB members are appointed by legislators with territory in the district. Would exempt tangible personal property from taxation. Would require the chief appraiser to use the cost approach for single family homes – quadraplexes, and income approach for other real property. Would provide for mandatory reappraisal following a disaster. Would provide for appraisal of residential property based on purchase price; Would permit reappraisal only if chief appraiser determines conditions warrant; would delete ratio study methods of establishing unequal appraisal. Effective 1/1/2022.

**HB 3127 Middleton, Mayes (F)(R) Relating to the maximum amount of the local option residence homestead exemption from ad valorem taxation by a taxing unit.**

Would authorize a taxing unit to exempt up to 100% of the value of residence homesteads. Effective 1/1/2020.

**\*HB 3143 Murphy, Jim(R) Relating to the Property Redevelopment and Tax Abatement Act.**

Would amend Chapter 312, Tax Code, to require a governing body to hold a public hearing before changing or reauthorizing guidelines and criteria; require chief appraiser to report the appraised value of affected property to the comptroller for the first three years of the agreement.

**HB 3168 Flynn, Dan(R) Relating to the applicability of the prohibition on certain ad valorem tax incentives relating to wind-powered energy devices located near a military aviation facility.**

Amends Chapter 312 provisions dealing with wind devices near military installations to include rotary wing aircraft. Effective 9/1/2019.

**HB 3225 Springer, Drew(R) Relating to the penalty for failing to file or failing to timely file a Dealer's Motor Vehicle Inventory Tax Statement.**

Would amend Sec. 23.122, Tax Code, to reduce the amount of the dealer penalty for late filing to \$100 per month and make imposition of the penalty discretionary for the collector. Effective 9/1/19.

**HB 3234 Gonzalez, Jessica (F)(D) Relating to the deferral or abatement of the collection of ad valorem taxes on an appreciating residence homestead.**

Would amend Sec. 33.065, Tax Code, to allow deferral of non-delinquent taxes on an appreciating homestead. Effective 1/1/2020.

**HB 3239 Middleton, Mayes (F)(R) Relating to the school district property value study conducted by the comptroller of public accounts.**

Would amend Sec. 403.3011, Gov't Code, to change the margin of error for the comptroller's property value study from five to ten percent. Immediate effect.

**HB 3241 Middleton, Mayes (F)(R) Relating to the system for appraising property for ad valorem tax purposes.**

Would amend Chapter 403, Gov't Code to provide that the most recent study establishes whether a district's local value is presumed valid in a non-study year; provide that the chief appraiser has the burden of supporting an increase in the appraised value of property from the preceding year; limit reappraisals to not more than once every two years, with the exception that an owner could request reappraisal and the chief appraiser could add increases in value attributable to improvements. Immediate effect.

**HB 3243 Murphy, Jim(R) Relating to the payment of certain ad valorem tax refunds.**  
Would amend several tax code sections to provide that tax refunds are paid to the person who owned the property on the date the tax was paid. Effective 9/1/29.

**HB 3253 Rodriguez, Eddie(D) Relating to a study regarding ad valorem tax relief through the use of a circuit breaker program.**

Would direct the comptroller to conduct a study of circuit breaker programs that limit property taxes based on a homeowner's annual income. Effective 9/1/19.

**HB 3256 Dean, Jay(R) Relating to the eligibility of an individual to be an employee of an appraisal district or to serve on the board of directors of an appraisal district.**

Would provide that taxing unit officers and employees are ineligible to serve on the CAD board or to be employed by the CAD. Effective 1/1/2020.

**HB 3282 Hinojosa, Gina(D) Relating to the confidentiality of certain home address information in ad valorem tax appraisal records.**

Would amend Sec. 25.025, Tax Code, to add employees and volunteers at abortion or family planning services to the list of those who may keep their home address information confidential. Effective 9/1/2019.

**HB 3358 Sanford, Scott(R) Relating to the repeal of the additional ad valorem taxes imposed as a result of certain changes in the use of certain land.**

Would amend multiple sections of the Tax Code to eliminate rollback taxes on change of use of land appraised under Subchapters D, E, or H of Chapter 23. Effective 1/1/2020.

**HB 3384 Shine, Hugh(R) Relating to the authority of the comptroller to conduct a limited-scope review of an appraisal district located in an area declared by the governor to be a disaster area.**

Would allow the comptroller to conduct a limited scope review rather than a full map review in an appraisal district meeting disaster related eligibility requirements. Effective 9/1/29.

**HB 3406 Rodriguez, Eddie(D) Relating to communications regarding the adoption of certain taxation rates.**

Would amend Sec. 255.003, Education Code to add communications related to tax rate adoptions to an exclusion; amends Sec. 26.05(b), Tax Code to revise language related to tax rate adoption motions. Effective 9/1/2019.

**HB 3423 Allison, Steve (F)(R) Relating to ad valorem and franchise tax credits for donations to school districts to create or support career and technical education programs or courses.**

Would add Sec. 31.038, Tax Code, allowing a property tax credit to offset the value of certain donations. Effective 1/1/2020 contingent on constitutional amendment.

**HB 3427 Sanford, Scott(R) Relating to an increase in the state sales and use tax rate for the purpose of reducing school district maintenance and operations ad valorem taxes.**

Would increase the state sales tax rate to 6.5% and dedicate the proceeds to school finance. Effective 10/1/2019.

**HB 3493 Talarico, James Relating to a requirement that a purchaser of commercial real property disclose the sales price of the property to the appraisal district and to the use of that information by the appraisal district.**

Would amend Chapter 23, Tax Code, to provide for mandatory disclosure of commercial sales prices. Effective 9/1/19.

**HB 3520 Murphy, Jim Relating to the calculation of the penalty for filing a late application for certain ad valorem tax exemptions and allocations.**

Would amend Sec. 11.4391 and 21.10, Tax Code, to cap the maximum penalty for late filed freeport and allocation applications at 10% of the tax imposed with the freeport or allocation granted. Effective 9/1/19

**HB 3626 Schaefer, Matt Relating to the comptroller's administration of federal money and certain general revenue and to the use of certain general revenue for property tax relief.**

Would require transfer of interest on the state economic stabilization fund to be deposited to the credit of the property tax relief fund. Effective 9/1/19.

**HB 3722 Swanson, Valoree Relating to the date for ordering or holding an election to ratify the ad valorem tax rate of a school district.**

Would amend Sec.26.08(b), Tax Code, to require ratification elections to be held on the first uniform election date that allows sufficient time to comply with other requirements of law. Effective 1/1/2020.

**HB 3723 Swanson, Valoree Relating to an election authorizing the issuance of bonds or an increase in taxes by a political subdivision.**

Would require 25% turnout to make a bond or tax increase election effective and require such elections to be held on the November uniform election date. Effective 9/1/19.

**HB 3733 Shaheen, Matt Relating to the allocation and deposit of certain surplus state revenue to the property tax relief fund for use in reducing school district maintenance and operations ad valorem taxes.**

Would require the comptroller to allocate 90% of the amount by which general revenue received in a biennium exceeds 104% of the preceding biennium to the state property tax relief fund, and authorize TEA to appropriate money in the fund for use in providing property tax relief by reduction of the state compression percentage. Effective for the biennium beginning 9/1/21.

**HB 3764 Dutton, Harold Relating to the period for redeeming the residence homestead of an elderly person sold at an ad valorem tax sale.**

Would amend various sections of Chapter 34, Tax Code, to extend the redemption period for the homestead of a 65 or older person to four years. Effective 1/1/20 contingent on constitutional amendment.

**HB 3793 Stephenson, Phil Relating to an exemption from ad valorem taxation by a school district for maintenance and operations purposes of the total appraised value of a residence homestead.**

Would amend Sec. 11.11, Tax Code to exempt the total appraised value of residence homestead from school district maintenance and operations taxes. Various conforming amendments; would provide for a state trust fund to reimburse school districts for lost revenue. Effective 1/1/2020, contingent on constitutional amendment.

**HB 3822 Darby, Drew Relating to the calculation of the ad valorem taxes imposed on property for the year in which the property is acquired by a governmental entity.**

Would amend Sec. 26.11, Tax Code, to provide for proration of taxes when a governmental entity takes possession of taxable property under a possession and use agreement or under Sec. 21.021, Tax Code. Effective 1/1/2020, contingent on constitutional amendment.

**HB 3829 Stephenson, Phil Relating to the adjustment of the limitation on the amount of ad valorem taxes imposed by a school district on the residence homestead of an elderly or disabled person.**

Would amend Sec. 11.26, Tax Code, to provide that a tax ceiling is adjusted downward to reflect adoption of a percentage homestead exemption in 2020 or later years and that the ceiling will be subsequently adjusted upward or downward to reflect any changes to that exemption in later years. Effective 1/1/2020, contingent on constitutional amendment.

**HB 3844 Smithee, John Relating to the period for which certain property acquired by a charitable organization to provide low-income housing may be exempted from ad valorem taxation.**

Would extend the expiration of an exemption under Sec. 11.181, Tax Code from the fifth to the 10<sup>th</sup> anniversary of the date the organization acquired the qualifying property. Immediate effect.

**HB 3866 Sanford, Scott Relating to a franchise tax credit based on the ad valorem taxes paid by a taxable entity on certain inventory.**

Would provide a franchise tax credit for a retailer equal to the difference between the property taxes the retailer pays and the amount it would pay if the value of its inventory were appraised under a dealer inventory method that resulted in a lower tax amount. The comptroller determines the difference with the assistance of the chief appraiser. Effective 1/1/20

**HB 3868 Sanford, Scott Relating to the appraisal for ad valorem tax purposes of tangible personal property held for sale at retail and a franchise tax credit based on the ad valorem taxes paid on such property.**

Would provide for the appraisal of retail inventory on the basis of annual sales in substantially the same manner as motor vehicle dealer inventory. Chapter 171, Tax Code, is amended to provide for a credit against franchise taxes for taxes paid by retail inventory owners. Effective 1/1/20.

**HB 3869 Sanford, Scott Relating to the appraisal for ad valorem tax purposes of tangible personal property held for sale at retail.**

Would provide for the appraisal of retail inventory on the basis of annual sales in substantially the same manner as motor vehicle dealer inventory. However, for the first nine years the bill is in effect, the market value will be the greater of market value determined under the new method or a percentage of value determined under Sec. 23.23 (90% in the first year, dropping to 10% in 2028). Unlike other forms of dealer inventory, the bill does not provide for monthly reports or prepayments of taxes. A retailer is defined as a person who holds inventory for sale at retail, with certain exceptions for banks and similar entities. Rendering the inventory under Chapter 22 disqualifies the retailer for the year. Effective 1/1/20.

**HB 3870 Sanford, Scott Relating to a franchise tax credit for ad valorem taxes paid by a taxable entity on certain inventory.**

Would amend Chapter 171, Tax Code, to provide a franchise tax credit equal to the amount of property taxes a qualified owner pays on an inventory held for sale at retail. The credit cannot exceed the amount of franchise tax due. Effective 1/1/20

**HB 3915 Calanni, Gina Relating to the guaranteed yield and the school facilities allotment under the Foundation School Program and to a school district's rollback tax rate for the 2019 tax year.**

Would provide a one-time adjustment for specified funding elements in a school district's rollback tax rate. Effective 9/1/19.

**HB 3917 Wray, John Relating to the collection of delinquent ad valorem taxes.**

Would amend Sec. 31.06, Tax Code, to allow collectors to require cash, cashier's check, or certified check for payments related to seized property or tax foreclosure suits. Would modify procedures for setting aside a delinquent tax judgment. Allows sale of personal property either at the place for sale of real property or at the location of the property. Immediate effect.

**HB 3959 Phelan, Dade Relating to a local option exemption from ad valorem taxation by a school district of the total appraised value of the residence homesteads of certain elderly or disabled persons.**

Would amend Sec. 11.13, Tax Code, to provide for a local option total exemption for residence homesteads of persons who are disabled or 70 and older. Effective 1/1/2020, contingent on constitutional amendment.

**HB 4012 Perez, Mary Ann Relating to the procedure for qualifying for the exemption from ad valorem taxation of pollution control property.**

Would amend Sec. 11.31, Tax Code, to require TCEQ to adopt a list of property used wholly for pollution control, and to review it every five years. Property continues to be exempt during the period, but the chief appraiser may cancel the exemption if the property is removed or no longer used wholly or partly for pollution control. Provides that exemptions for properties not on the list must be renewed every five years. Includes transition provisions for expiration of exemptions previously granted. Effective 1/1/2020, contingent on constitutional amendment.

**HB 4043 Dominguez, Alex** Relating to a temporary exemption from the requirements regarding voter approval of a proposed ad valorem tax rate that exceeds a taxing unit's rollback tax rate following a disaster.

Would amend Sec. 26.07 and 26.08, Tax Code, to allow taxing units in disaster areas declared by the governor or the president in 2017 or a subsequent year to exceed their rollback rates without risking a rollback election for the year of the disaster and the ten succeeding years. Includes conforming amendments. Effective 1/1/20.

**HB 4092 Shaheen, Matt** Relating to the maximum amount of the local option residence homestead exemption from ad valorem taxation by a school district and the effect of such exemptions on the provision of funding under the foundation school program.

Would amend Sec. 11.13, Tax Code, to allow a school district to adopt an exemption of a percentage of the appraised value of a person's residence homestead. The exemption may not exceed 50% of taxable income [sic]. Effective 1/1/2020, contingent on constitutional amendment.

**HB 4108 Sheffield, J.D.** Relating to the required payment of taxes by an owner of a property used for nuclear electric power generation who appeals certain ad valorem tax determinations.

Would amend Sec. 42.08, Tax Code, to increase the required payment of taxes for a nuclear power generation facility to the amount of taxes due under the order under appeal. Effective 9/1/19.

**HB 4135 Israel, Celia** Relating to the effect of certain residential structures on a residence homestead exemption for ad valorem tax purposes.

Would amend Sec. 11.13 to provide that certain rental structures are considered part of the residence homestead if located on the same land and under common ownership. Effective 1/1/2020.

**HB 4139 , Giovanni** Relating to the authority of the governing body of a taxing unit to adopt an exemption from ad valorem taxation of an individual's residence homestead.

Would amend Sec. 11.13(n), Tax Code, to allow taxing units to increase the minimum calculated amount for a percentage homestead exemption to no more than \$25,000. Effective 1/1/2020, contingent on constitutional amendment.

**HB 4180 Miller, Rick** Relating to the applicability of the prohibition on certain ad valorem tax incentives relating to wind-powered energy devices located near a military aviation facility.

Amends Sec. 312.0021 and 313.024, Tax Code, to limit abatements and value limitations for certain property located near facilities used either for fixed wing or rotary wing aircraft. Effective 9/1/19.

**HB 4184 Sanford, Scott** Relating to the exemption from ad valorem taxation of a percentage of the appraised value of the residence homestead of a partially disabled veteran.

Would amend Sec. 11.22, Tax Code, to provide for a percentage residence homestead exemption equal to the percentage of a disabled veteran's disability. Effective 1/1/2020, contingent on constitutional amendment.

**HB 4194 Middleton, Mayes** Relating to the interest rate on a refund of ad valorem taxes made following the final determination of an appeal that decreases a property owner's tax liability.

Would amend Sec. 42.23, Tax Code, to provide that interest on litigation refunds for refineries is calculated at the T-Bill rate for the week the taxes become delinquent, not to exceed 4%. Effective 9/1/19.

**HB 4253 Murr, Andrew** Relating to the eligibility of land for appraisal for ad valorem tax purposes as qualified open-space land on the basis of its use for wildlife management.

Would amend Sec. 23.51, Tax Code, to include a definition of predator control for the purposes of the definition of wildlife management. Comptroller rulemaking is required. Effective September 1, 2019.

**HB 4295 Johnson, Julie Relating to default under a deed of trust or contract lien on certain residential property for the delinquent payment of ad valorem taxes.**

Would amend Sec. 51.0011, Property Code, to delete requirements that a debtor notify a mortgage company prior to entering an installment payment agreement concerning the owner's residence homestead under Sec. 33.02, Tax Code. Would also provide that obtaining a deferral or abatement under Sec. 33.06 does not constitute a default in a deed of trust. Effective 9/1/19.

**HB 4328 Clardy, Travis Relating to certain property tax lenders, property tax loans, and tax liens.**

Would add Sec. 351.0024, Finance Code, providing that a property tax lender may not own an interest in or receive consideration from a law firm that provides legal services concerning the loan to the lender. Immediate effect.

**HB 4329 Gutierrez, Roland Relating to the limitation on increases in the appraised value of a residence homestead for ad valorem taxation.**

Would amend Sec. 23.23, Tax Code, to reduce the tax limitation percentage to 5%. Effective 1/1/2020, contingent on constitutional amendment.

**HB 4335 Huberty, Dan Relating to the assessment and collection of ad valorem taxes imposed by a school district.**

Would amend various sections of the Education and Tax Code to provide that the county assessor-collector assesses and collects taxes for school districts with territory in the county. Effective 9/1/2019.

**HB 4338 Gutierrez, Roland Relating to a limitation on increases in the appraised value for ad valorem tax purposes of commercial real property.**

Would add Sec. 23.231, Tax Code, providing for a 10% cap on increases in the appraised value of commercial property, defined to be real property zoned or authorized and used for purposes other than single family, multi-family, or heavy industrial use or as a quarry. Various conforming amendments. Effective 1/1/2020, contingent on constitutional amendment.

**HB 4352 Romero, Ramon Relating to an increase in the amount of the exemption of residence homesteads from ad valorem taxation by a school district, a reduction in the amount of the limitation on school district ad valorem taxes.**

Would amend Sec. 11.13, Tax Code, to increase the mandatory school district homestead exemption to \$50,000. Effective 1/1/2020, contingent on constitutional amendment.

**HB 4353 Burrows, Dustin Relating to the exemption from ad valorem taxation of income-producing tangible personal property having a value of less than a certain amount.**

Would amend Sec. 11.145, Tax Code, to increase the exemption for income-producing tangible personal property from \$500 to \$2,500. Effective 1/1/20.

**HB 4355 Burrows, Dustin Relating to the correction of an ad valorem tax appraisal roll and related appraisal records.**

Would add Sec. (c-1) to Sec. 25.25, Tax Code, providing for a correction to either of the two preceding years' appraisal rolls of an inaccuracy in the appraised value of an owner's personal property that results from an error or omission in a rendition or property report. The roll may not be changed if the owner failed to timely render or if the property was the subject of a protest brought by the owner, a previous agreed correction, or forfeiture for failure to comply with Sec. 25.26, or the result of a written agreement between owner or agent and the district. Effective 9/1/19.

**HB 4356 Burrows, Dustin** Relating to the matters that a taxing unit is entitled to challenge before an appraisal review board.

Would amend Sec. 41.03, Tax Code, to delete a taxing unit's ability to challenge levels of appraisal. Immediate effect.

**HB 4363 Cain, Briscoe** Relating to an increase in the state sales and use tax rate for the purpose of reducing school district maintenance and operations ad valorem taxes and a study of additional changes.

Would increase certain sales tax rates and credit the increased revenue to the property tax relief fund. Effective 10/1/19.

**HB 4367 Holland, Justin** Relating to an exemption from ad valorem taxation of the residence homesteads of certain disabled first responders and their surviving spouses.

Would add Sec. 11.138, Tax Code, to provide a 100% homestead exemption to qualifying disabled first responders (entitled to receive lifetime income benefits under Sec. 408.161, Labor Code) and their qualified surviving spouses. Effective 1/1/2020, contingent on constitutional amendment.

**HB 4373 Smithee, John** Relating to the limitation on the amount of supplemental payments that a person may agree to provide to a school district or any other entity on behalf of a school district under the Texas Economic Development Act.

Would amend Sec. 313.027(i), Tax Code, to increase the amount per year a person may provide in supplemental payments from \$50,000 to \$75,000. Effective 9/1/19.

**HB 4433 Bohac, Dwayne** Relating to a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property damaged by a disaster.

Would add Sec. 11.35, Tax Code, providing a partial exemption for property that is at least 15 percent damaged by a disaster and located in a declared disaster area. The exemption amount varies from 15 to 100 percent depending on the property's damage. The exemption expires on January 1 of the first year in which the property is reappraised under Sec. 25.18. Various conforming amendments. Effective 1/1/2020 contingent on constitutional amendment.

**HB 4482 Davis, Yvonne** Relating to the periodic evaluation of certain exemptions from property taxes and state taxes and the application of the sunset review process to those exemptions.

Would provide for sunset commission review of exemptions at least once every six years. New Sec. 11.49, Tax Code, would provide that an exemption is repealed in the year the commission presents its review unless the legislature retains the exemption. However, repeal does not apply to an exemption explicitly provided by the constitution. Immediate effect.

**HB 4488 Zwiener, Erin** Relating to an exemption from ad valorem taxation of the portion of the appraised value of a person's property that is attributable to the installation in or on the property of certain water conservation systems.

Would add Sec. 11.325, Tax Code, exempting value attributable to a rainwater harvesting or graywater system from taxation. Effective 1/1/2020, contingent on constitutional amendment,

**HB 4494 Toth, Steve** Relating to the limitation on increases in the appraised value of a residence homestead for ad valorem tax purposes.

Would amend Sec. 23.23, Tax Code, to provide that the market value of a residence homestead is equal to its value in the first year the owner qualified it for exemption under Sec. 11.13, unless the owner purchased the property as a bona fide purchaser, in which case its market value is the purchase price. For property qualified prior to 2020, the 2019 market value becomes the market value of the property in subsequent years. Various exceptions and qualification requirements are included. Effective 1/1/2020, contingent on constitutional amendment.

**HB 4528 Murphy, Jim Relating to the ad valorem taxation of a leasehold or other possessory interest in certain property owned by a municipality.**

Would amend Sec. 25.07, Tax Code, to provide for local option taxation of a leasehold interest in municipally owned convention centers and similar facilities by taxing units other than the municipality. Effective 1/1/2020.

**HB 4603 Krause, Matt Relating to the allocation and deposit of certain surplus state revenue to the property tax relief fund for use in reducing school district maintenance and operations ad valorem taxes.**

Would devote ½ of the state's unencumbered fund balance at the end of a biennium to school finance. Effective 1/1/20 contingent on constitutional amendment.

**HB 4617 Burrows, Dustin Relating to the appraisal for ad valorem tax purposes of certain dealer's heavy equipment inventory.**

Would repeal current provisions regarding the inclusion of rental equipment in Heavy Equipment Inventory appraisals. Effective 1/1/2020.

**HB 4621 Huberty, Dan Relating to the imposition of sales and use taxes and the allocation of certain revenue from sales and use taxes to school district property tax relief and public education.**

Would increase state sales tax rate from 6.25 to 6.26% and dedicate proceeds to the property tax relief fund. Effective 1/1/2020 contingent on constitutional amendment.

## **Proposed Constitutional Amendments**

**HJR 3 Huberty, Dan Proposing a constitutional amendment to provide funding for the cost of maintaining and operating the public school system and to reduce school district ad valorem tax rates.**

**HJR 13 by White J Dedication of revenues**

Dedicates a portion of state Oil and Gas Tax Revenue to counties ( HB 42)

**HJR 15 by Raymond R Annual state budget**

Provides for annual state budget and associated legislative session

**HJR 16 by Raymond R Honesty in state taxation**

Honesty in State Taxation ( HB 150)

**HJR 19 by Raymond R Exemption for caregivers homestead**

Authorizes a local option homestead exemption for parents/guardian of disabled child ( HB 160)

**HJR 20 by Raymond R ADA exemption**

Authorizes legislature to exclude from market value the value associated with improvements or features whose primary purpose is to comply with ADA accessibility design standards or any successors ( HB 164)

**HJR 23 by Miller R Surviving spouse homestead**

Allows the legislature to exempt the homestead of a surviving spouse of a member of the armed services who was fatally injured in the line of duty. ( HB 276)

**HJR 24 by Geren C Cost of public school system**

Requires the state to pay at least 50 percent of the cost of maintaining and operating the public school system ( HB 462)

**HJR 26 by Geren C Expansion of tax ceiling**

Expands school tax ceiling to taxes levied by all political subdivisions ( HB 322)

**HJR 28 by Bohac D 5% homestead cap**

Authorizes legislature to set the homestead cap as low as 5% ( HB 383)

**HJR 29 by Bohac D 100% exemption for 80 and above**

Provides 100% homestead exemption for persons 80 and older and their surviving spouses. ( HB 384)

**HJR 30 by Burns D Unfunded mandates**

Prohibits unfunded mandates for cities or counties.

**HJR 31 by Murphy J Charter school exemption**

Authorizes legislature to exempt property leased to a charter school. ( HB 288)

**HJR 33 by Shaheen M Homestead exemption for indigent care provider**

Authorizes commissioners court to adopt up to 50% homestead exemption for certain physicians providing indigent medical care ( HB 453)

**\*HJR 34 by Shine H Disaster exemption**

Authorizes the legislature to provide for exemption of disaster damaged property. ( HB 492)

**HJR 35 by Shine H Disaster exemption**

Authorizes the legislature to provide for exemption of disaster damaged property and to spend state funds to reimburse taxing units for refunds.( HB 493)

**HJR 38 by Leach J Personal income tax**

Prohibition of personal income tax imposition

**HJR 41 by Neave Disaster tax ceiling**

Authorizes a temporary tax ceiling for disaster damaged property ( HB 622)

**HJR 44 by Leach J Severely disabled veteran**

Authorizes a homestead exemption for severely disabled veteran ( HB 716)

**HJR 47 Bell C Expand cap to all real property**

Authorize the legislature to limit the maximum appraised value of real property for ad valorem tax purposes. (HB 878)

**HJR 48 Bernal D Caregiver's homestead exemption**

Authorizing the legislature to exempt from ad valorem taxation the total assessed value of the residence homestead of an unpaid caregiver. (HB 905)

**HJR 50 Metcalf W Real property cap**

Authorize the legislature to limit the maximum appraised value of real property for ad valorem tax purposes.(HB 946)

**HJR 51 Metcalf W Lower homestead cap**

Authorize the legislature to set a lower limit on the maximum appraised value of a residence homestead for ad valorem taxation. (HB 946)

**HJR 52 Lucio III Market value**

Providing for the valuation of property for ad valorem tax purposes on the basis of its market value.

**HJR 53 Bohac D Expand tax ceiling to all jurisdictions**

Establishing a limitation on the total amount of ad valorem taxes that political subdivisions may impose on over-65 and disabled persons' homesteads.. (HB 1032)

**HJR 54 Wray J Surviving spouse of disabled person homestead**

Proposing to allow the surviving spouse of a person who is disabled to receive a limitation on the school district ad valorem taxes on the spouse's residence homestead. (HB 1062)

**HJR 56 Bernal D Ad valorem taxes residence homestead**

Would authorize tax limitation for property that has had a homestead exemption in effect for 15 years. (HB 1102)

**HJR 58 Dutton H Ad valorem taxation**

Would authorize exemption of proeprty held for purpose of building low income housing near a school district or in a municipal management district. (HB 1194)

**HJR 60 Bailes E Ad valorem taxes residence homestead**

Would authorize transfer of a city, county, or junior college tax limitation to a different residence homestead in a different county. (HB 1265)

**HJR 65 Patterson, Jared Proposing a constitutional amendment authorizing the legislature to provide for the assessment of ad valorem taxes on real property on the basis of the lesser of the appraised value.**

Would authorize real property valuation based on five year average. (HB 1444)

**HJR 69 Lambert, Stan Proposing a constitutional amendment authorizing a local option exemption from ad valorem taxation by a county, municipality, or junior college district of a portion of the market value.**

**HJR 70 Lambert, Stan Proposing a constitutional amendment authorizing the governing body of a county or municipality to adopt a local option exemption from ad valorem taxation of a portion, expressed as a dollar amount, of the market value.**

**HJR 77 Pacheco, Leo Proposing a constitutional amendment establishing a limitation on the total amount of ad valorem taxes that political subdivisions may impose on the residence homesteads of individuals who are disabled or elderly and their surviving spouses**

**HJR 89 Kacal, Kyle Proposing a constitutional amendment to authorize a local option exemption from ad valorem taxation of a portion of the appraised value of the residence homesteads of certain volunteer first responders. (HB 2456)**

**HJR 90 Rosenthal, Jon Proposing a constitutional amendment authorizing the governing body of a political subdivision to limit the total amount of ad valorem taxes that may be imposed by the political subdivision. (HB 2480)**

**HJR 93 Lucio III, Eddie Proposing a constitutional amendment authorizing the legislature to provide for an exemption from ad valorem taxation of a portion of the assessed value of a residence homestead. (HB 2695)**

**HJR 95 Capriglione, Giovanni Proposing a constitutional amendment relating to the authorization to exempt from ad valorem taxation precious metals. (HB 2859)**

**HJR 97 Springer, Drew Proposing a constitutional amendment authorizing the legislature to exempt from ad valorem taxation by a school district a portion of the appraised value of an individual's residence homestead. (HB 2915)**

**HJR 102 Toth, Steve Proposing a constitutional amendment authorizing the legislature to provide for the appraisal of certain real property for ad valorem tax purposes based on its purchase price, exempting all tangible personal property (HB 4494)**

**HJR 109 Allison, Steve Proposing a constitutional amendment authorizing the legislature to provide for a credit against ad valorem taxes imposed by a school district on the property owned by a business entity.(HB 3423)**

**HJR 110 Wilson, Terry Proposing a constitutional amendment authorizing the legislature to provide that the appraised value of a residence homestead for ad valorem tax purposes is the market value of the property for the first year that the owner**

Would amend art. VIII, Sec. 1(i) to provide that the appraised value of a residence homestead is equal to either its value in the first year the owner qualified it for homestead exemption or the purchase price of the property if the owner acquired it as a bona fide purchaser for value.

**HJR 111 Wilson, Terry Proposing a constitutional amendment providing that a residence homestead is not subject to seizure or sale for delinquent ad valorem taxes.**

Would amend art. VIII, Sec 15 to provide that residence homesteads, as defined by the legislature, are not subject to seizure and sale.

**HJR 113 King, Ken Proposing a constitutional amendment requiring the state to pay at least 50 percent of the cost of maintaining and operating the public school system and prohibiting the comptroller from certifying legislation.**

**HJR 116 Dutton, Harold** Proposing a constitutional amendment to lengthen the period for redeeming the residence homestead of an elderly person sold at an ad valorem tax sale. (HB 3764)

**HJR 118 Stephenson, Phil** Proposing a constitutional amendment authorizing the legislature to exempt from ad valorem taxation by a school district for maintenance and operations purposes. (HB 3793)

**HJR 120 Stephenson, Phil** Proposing a constitutional amendment authorizing the legislature to provide for the adjustment of the limitation on the amount of ad valorem taxes imposed by a school district. (HB 3829)

**HJR 126 Phelan, Dade** Proposing a constitutional amendment to authorize a local option exemption from ad valorem taxation by a school district of the total market value of the residence homesteads of certain elderly or disabled persons. (HB 3959)

**HJR 127 Shaheen, Matt** Proposing a constitutional amendment to increase the maximum amount of the local option residence homestead exemption from ad valorem taxation by a school district. (HB 4092)

**HJR 129 Capriglione, Giovanni** Proposing a constitutional amendment authorizing the governing body of a political subdivision that adopts an exemption from ad valorem taxation of a percentage of the market value of an individual's residence homestead (HB 4139)

**HJR 131 Sanford, Scott** Proposing a constitutional amendment authorizing the legislature to exempt from ad valorem taxation a percentage of the assessed value of the residence homestead of a partially disabled veteran. (HB 4184)

**HJR 134 Gutierrez, Roland** Proposing a constitutional amendment to authorize the legislature to set a lower limit on the maximum appraised value of a residence homestead for ad valorem taxation. (HB 4329)

**HJR 136 Gutierrez, Roland** Proposing a constitutional amendment to authorize the legislature to limit increases in the appraised value of commercial real property for ad valorem tax purposes. (HB 4338)

**HJR 137 Romero, Ramon** Proposing a constitutional amendment to increase the amount of the exemption of residence homesteads from ad valorem taxation by a school district and to reduce the amount of the limitation on school district. (HB 4352)

**HJR 139 Holland, Justin** Proposing a constitutional amendment authorizing the legislature to provide for an exemption from ad valorem taxation of all or part of the market value of the residence homesteads. (HB 4367)

**HJR 142 Bohac, Dwayne** Proposing a constitutional amendment authorizing the legislature to provide for a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property damaged by a disaster. (HB 4433)

**HJR 144 Krause, Matt** Proposing a constitutional amendment regarding the limitation on the rate of growth of appropriations and the use of surplus state revenue to provide for property tax relief and public school teacher compensation. (HB 4603)

**HJR 146 Zwiener, Erin** Proposing a constitutional amendment to authorize the legislature to exempt from ad valorem taxation the portion of the assessed value of a person's property. (HB 4488)

## **Senate Bills**

## \*SB 2 by Bettencourt. Omnibus property tax reform

Omnibus bill jointly filed in house (HB 2). Would include Property Tax Administration Advisory Board appointed by comptroller; minimum hours for ARB training; Arbitrator training course and manual; requirement for CAD to appraise in accordance with comptroller manuals; comptroller prescribed truth in taxation forms; modifications to comptroller database of tax rates; comptroller review of compliance with appraisal manual by CAD, ARB survey; office of tax notices established by the chief appraiser; appointment of tax notice officer by chief appraiser; permitting CAD board member to transmit written complaint about specific property appraisal without comment; special ARB panels for complex property in large counties; extends nepotism prohibition for ARB to other members of ARB; restores term limits for ARB members in large counties; administrative district judge appoints the chair and secretary of the ARB; majority concurrence by panel or ARB sufficient for action; Moves rendition deadline to April 1; requires determination of value according to comptroller manuals; moves appraisal notice deadline to April 15 for all property; inclusion of special panel information in appraisal notice; changes name of effective tax rate to “no-new-revenue” rate; redefines small taxing unit; changes rollback rate calculation to allow 2.5% increase in effective M&O rate, with exceptions; requires use of state rate calculation forms; changes deadline for submission of rates to governing body to July 22 and establishes July 27 deadline for publication of rates. Requires tax notice officer to mail or email new tax notice by July 22 to all property owners; limits anticipated collection rate; allows unit with any territory in a disaster area to use small taxing unit (8% increase) rollback rate calculations for 5 years or until taxable value exceeds value before disaster; requires adoption of rate that will exceed rollback rate before August 15; prohibits public hearing until 14 days after rate data has been entered in real time database; revises requirements for notice of public hearings; requires posting of notices on website if published in a newspaper; revises notices for meeting to vote on proposed rate and requires posting on unit’s website; makes ratification election mandatory for cities and counties that adopt rates in excess of the rollback rate; provides for ratification elections to be held on the November general election date; requires posting of rate calculation forms on county website; provide for real time tax database operated by the tax notice officer of the CAD; taxing unit officials enter rate calculation information to the website. Requires each taxing unit to maintain or have access to a website and to post certain information on the website concerning members of the governing body, tax rates, and budget; repeals taxing unit challenge based on appraisal level; changes deadline for ARB approval of the appraisal records to July 5; includes various administrative provisions related to special panels; requires notice of ARB hearing to include subject matter; revises chief appraiser’s notice concerning advance copies of evidence; forbids charging for copies of evidence requested; authorizes delivery of advance copies of evidence by reference to a website in addition to mail or electronic transfer; prohibits ARB from increasing appraised value above the amount submitted with the appraisal records; requires ARB to issue order within 15 days of hearing; allows agent to file multiple request for same day consecutive hearings on up to 20 properties; allows consecutive scheduling of all protests filed by an owner or the owner’s designated agent, with restrictions; prohibits offering previously requested evidence that was not delivered 14 days in advance through documents, argument, or testimony; prohibits Sunday hearings or hearings starting after 7 PM; requires arbitrators to complete training courses; deletes requirement that arbitrators reside in the county, subject to objection by the property owner. Makes conforming amendments to various Codes and Laws. It appears a water district ratification is mandatory, but the rollback percentage remains at 8%. Various effective dates.

### Changes in Senate Committee Substitute:

- Increases ARB training hours
- Changes name of rollback rate to “voter approved tax rate”
- Assigns duties of tax notice officer to chief appraiser
- Revises language concerning concurrence by ARB members
- Deletes change to freeport filing deadline and several other proposed date changes
- Adds list of sources for generally accepted appraisal techniques
- Requires certified estimate of value if ARB has not approved records by July 25
- Adds election to apply general law to small taxing unit
- Modifies tax estimate notice requirements and deadlines
- Changes two hearing requirement to single hearing

- Revises language related to school district rate adoption and public hearing
- Revises requirements for real time tax database
- Deletes July 5 record approval requirement
- Adds requirement to list land and improvement values on ARB order
- Provides that owner must consent to special panel assignment.
- Provides process to cure defective application to be an arbitrator
- Prohibits arbitrator from raising value
- Adds deferral for property under appeal
- Allows unregistered entity to file appraisal appeal
- Provides for limitation on discovery of third party and of subject property economic information
- Prohibits district court from raising value.

**SB 58 Zaffirini Exemption of motor vehicles leased to state or charitable organization.**

Would amend Sec. 11.252, Tax Code, to allow exemption of vehicles leased to the state or to a 501(c)(3) exempt organization. Effective 9/1/2019

**SB 67 by Nelson Various changes to protests and appeals**

This bill provides for a property tax administration advisory board appointed by comptroller; Sets specific hours for ARB training; Provides for fee for nonmember attendance; Provides for comptroller training of arbitrator and arbitration manuals; Modifies requirements for ARB survey; Makes ARB relative ineligible for appointment to ARB; Modifies ARB term limits in large counties; Local administrative judge selects ARB chairman and secretary in all counties ; Panel decision by majority; Subject matter included in notice of protest; Notice of hearing by certified mail to property owner if requested in protest; Requires chief appraiser to deliver evidence she “will” present upon request; Prescribes mode of delivery for evidence; Prohibits raising value above submitted record amount; Requires determination of protest and issuance of order within 15 days after hearing; Extends two hour wait time postponement to agent represented accounts; Scheduling of consecutive hearings for up to 20 hearings for of an owner or agent and multiple requests; Consecutive scheduling of all of an owner or agent’s protests at ARB option, with restrictions; Written document evidencing ARB signature on ex parte affidavit; Prohibition on offering undelivered evidence; Prohibition on Sunday and late evening hearings. *Effective:1/1/2020*

**SB 118 by West Extends Chap 312 Tax Code until 2029**

This bill amends Sec. 312.006, Tax Code, to extend the expiration date of chapter 312 until 2029  
*Effective:Immediate*

**SB 129 by Hinojosa Expands definition of first responder for purposes of surviving spouse exemption**

This bill amends Sec. 11.134, Tax Code, to add individuals listed under Art. 2.122(a), Code of Criminal Procedure, Customs and Border Patrol Agents, and immigration enforcement and deportation officers of Homeland Security to the definition of eligible first responders. Other portions of the statute are amended to conform. Survivors of the added individuals must be residents of the state at the time of the responder’s death to qualify. *Effective:1/1/2020 if Constitutional amendment passes*

**SB 135 by Nichols, R Adds prior use requirement for ecological laboratory open-space land**

This bill amends Sec. 23.51(1) to require that land used principally as an ecological laboratory must have been used principally in that manner by the college or university for five of the preceding seven years to qualify for agricultural appraisal. Applies to appraisal on or after effective date. *Effective:1/1/2020*

**\*SB 196 by Campbell Exemption for survivor of armed forces member fatally injured or killed in line of duty**

Amends Sec. 11.133 by substituting “killed or fatally injured in the line of duty” for “killed in action.” This will expand the scope of the exemption. *Effective:1/1/2020 if Constitutional amendment passes*

### **SB 202 by Huffman Mandatory disaster reappraisal**

Amends Sec. 23.02 to make disaster reappraisal mandatory for property that FEMA deems to have had 5% or greater damage. The owner may refuse reappraisal. Chief appraiser must complete 45 days after governor's declaration or as soon as possible after FEMA completes estimates. Comptroller is given rulemaking authority.. *Effective:Immediate effect*

### **SB 211 by Flores, Pete Justice Court appeals (bracketed)**

This bill amends Sec. 41.45(b) to require the chief appraiser and the ARB to review evidence and argument provided by affidavit before the protest of a hearing. The bill adds Subchapter B-1 to Chapter 42, providing for small claims appeals of ARB hearings. Subchapter B-1 is bracketed to apply only to a specific small county. The subchapter expires January 1, 2025. *Effective:9/1/2019*

### **SB 283 by Buckingham**

Amends Sec. 140.011(a)(2) Loc Gov't Code to change the definition of local government to include a municipality partially or totally located in a county in which a US military installation is located. *Effective:9/1/19*

### **SB 328 by Seliger**

This bill amends Sec. 31.01, Tax Code, to require a school district tax bill to contain specified information related to the purchase attendance credits under Subchapter D, Chapter 41, Education Code, or the percentages of revenue derived from state and local funds respectively. *Effective:1/1/2020*

### **\*SB 335 by West Community Land Trust**

This bill amends Sec. 373B.003, Loc. Gov't Code, to include a wholly owned limited partnership or limited liability company as an eligible land trust owner. Sec. 11.1827 is amended to provide that an exemption adopted under that section continues until rescinded by the governing body. Sec. 23.21 is amended to separately address appraisal of land and improvements. For land and for improvements rented to a family under specified restrictions, the chief appraiser must use the income method as described by Sec 23.012 in appraising the property, and take into account the property's uses, limitations, and lease terms, and use the same capitalization rate used for other rent restricted property. For housing sold under a deed restriction meeting specified requirements, the chief appraiser may not appraise the house at more than the amount for which it may be sold under the restriction. Other sections are amended to conform. *Effective:9/1/19*

### **SB 343 by Watson School tax bills**

This bill amends Sec. 31.01 to require a school tax bill to indicate what portions of the tax will be paid to the state to fund other school districts if the school district is purchasing daily attendance credits under Chapter 41. A tax bill for a school district receiving Chapter 42 assistance must indicate what portions of the school district's revenue are funded by the state. The bill specifies how these amounts are computed and reflected on the tax bill. *Effective:1/1/20*

### **SB 347 Flores P Eligibility for service on the board of directors of an appraisal district.**

Would amend Sec. 6.03, Tax Code to provide that only elected members of the governing bodies of taxing units entitled to vote on the appointment of CAD board members would be eligible to serve on the CAD board. The county assessor collector could continue to serve as a nonvoting director. Those serving on the effective date may complete their terms. *Effective 9/1/19*

### **SB 350 Powell Expiration of the Property Redevelopment and Tax Abatement Act.**

Would repeal Secs. 312.006 and 320.001, Tax Code, deleting expiration dates. *Immediate effect.*

### **SB 410 Hughes B Franchise tax credit for ad valorem taxes paid by a taxable entity on certain inventory.**

Would amend Chapter 171, Tax Code, to provide a franchise tax credit equal to the amount of property taxes a qualified owner pays on an inventory held for sale at retail. The credit cannot exceed the amount of franchise tax due. *Effective 1/1/20*

**SB 411 Hughes B Appraisal for ad valorem tax purposes of tangible personal property held for sale at retail.**

Would provide for the appraisal of retail inventory on the basis of annual sales in substantially the same manner as motor vehicle dealer inventory. However, for the first nine years the bill is in effect, the market value will be the greater of market value determined under the new method or a percentage of value determined under Sec. 23.23 (90% in the first year, dropping to 10% in 2028). Unlike other forms of dealer inventory, the bill does not provide for monthly reports or prepayments of taxes. A retailer is defined as a person who holds inventory for sale at retail, with certain exceptions for banks and similar entities. Rendering the inventory under Chapter 22 disqualifies the retailer for the year. Effective 1/1/20.

**SB 412 Hughes B Franchise tax credit based on the ad valorem taxes paid by a taxable entity on certain inventory.**

Would provide a franchise tax credit for a retailer equal to the difference between the property taxes the retailer pays and the amount it would pay if the value of its inventory were appraised under a dealer inventory method that resulted in a lower tax amount. The comptroller determines the difference with the assistance of the chief appraiser. Effective 1/1/20

**SB 434 Hinojosa C Effect of a sale of property on the tax lien on the property to secure the payment of ad valorem taxes, penalties, and interest imposed on the property.**

Would amend Sec. 11.43, Tax Code, to provide that a tax lien on erroneously exempted property cannot be enforced if at any time during the year in which the property is back assessed, the owner sells it in an arms-length transaction to someone who is not a relative within the first degree. Effective on approval of constitutional amendment

**\*\*\*SB 443 Hancock K Five year homestead exemption for uninhabitable property**

Would amend Sec. 11.135 by adding new (a-1) to provide that the two year period for retaining the homestead on uninhabitable property is extended to five years if the property is located in a disaster area declared by the governor and the property is uninhabitable or unusable because of the disaster. Immediate effect.

**\*\*\*SB 449 Creighton testimony by an appraisal district employee as to the value of real property in certain ad valorem tax appeals.**

Would repeal Sec. 42.23(i), Tax Code, which would otherwise take effect January 1, 2020. That section would prefer testimony by a CAD employee holding a TALCB license. Effective 9/1/19.

**SB 453 Creighton Reappraisal for ad valorem tax purposes of property damaged in a disaster.**

This bill amends Sec. 23.02 to mandate reappraisal of property damaged in a disaster, if located in a disaster area declared by the governor. The owner may refuse reappraisal. The chief appraiser must complete the reappraisal within 45 days of disaster declaration. The comptroller is given rulemaking authority. *Immediate effect*

**SB 474 Hancock K Eligibility land secured by home equity loan**

Would repeal Sec. 23.42(a-1), Tax Code. Effective 1/1/2020.

**SB 484 Menendez J Limitation on total amount ad valorem taxes**

Would add Sec. 11.262, Tax Code, providing a school tax limitation for homesteads that have had the homestead exemption in effect for 15 consecutive years or more. If the school taxes imposed in the 15<sup>th</sup> year exceed taxes from the first year by 20% or more, school taxes in succeeding years can not exceed the least of: current year taxes as calculated; school taxes imposed in the 15<sup>th</sup> year; or school taxes as limited by the current Sec 11.26 tax ceiling. Increases in taxes prior to 2006 are excluded. The limitation passes to a surviving spouse. The limitation will increase if the owner makes new improvements, subject to some exceptions. Various conforming amendments are included. Effective 1/1/2020, contingent on constitutional amendment.

**SB 492 Alvarado C Disaster recovery and tax limitation**

Would amend Sec. 23.23(g), Tax Code to expand the definition of disaster recovery program to include any program funded with community development block grant disaster recovery authorized by federal law. Effective 1/1/2020

**SB 540 Kolkhorst Five year homestead exemption for uninhabitable property**

Would amend Sec. 11.135 by adding new (a-1) to provide that the two year period for retaining the homestead on uninhabitable property is extended to five years if the property is located in a disaster area declared by the governor and the property is uninhabitable or unusable because of the disaster. Immediate effect.

**SB 547 Watson K Charitable organization low-income housing 1/31**

Would extend the expiration of an exemption under Sec. 11.181, Tax Code from the fifth to the 10<sup>th</sup> anniversary of the date the organization acquired the qualifying property. Immediate effect.

**\*\*\*SB 555 Schwertner Liability for additional tax imposed on land 1/31**

Would amend Sec. 23.46, Tax Code, to provide that rollback taxes on 1-d agricultural land that are imposed as a result of condemnation are the personal liability of the condemning entity. Effective 1/1/2019.

**SB 565 Campbell D Authority to waive jobs creation in Chapter 313**

Would repeal Sec. 313.025(f-1), Tax Code. Effective 9/1/19

**SB 596 Buckingham Protests before appraisal review boards**

Would amend various portions of Chapter 41, Tax Code, to prohibit charging fees in connection with protests; require a CAD to inform an owner if offering a comparable property that has been protested; and prevent the ARB from increasing an appraised value unless by agreement. Effective 1/1/2020.

**SB 597 Buckingham Prohibition on fees for protests**

Would amend Sec. 41.41, Tax Code, to prevent imposition of a fee in connection with a protest. Immediate effect.

**SB 598 Buckingham Authority appraisal review board to raise value**

Would amend Sec. 41.47, Tax Code, to prevent the ARB from increasing an appraised value unless by agreement. Effective 1/1/20

**SB 599 Buckingham Use information concerning the value of comparable properties**

Would amend Sec. 41.43 to require a CAD to inform an owner if offering a comparable property that has been protested as evidence. Effective 9/1/19

**SB 600 Buckingham Voter approval proposed ad valorem tax rate**

Would provide for mandatory election to ratify a taxing unit tax rate that exceeds its rollback tax rate. Modifies various deadlines and requires units exceeding the rollback tax rate to adopt their rates by August 15. Does not change rollback calculation or provide for real time tax database. Effective 1/1/2020.

**SB 635 Flores P Procedures protests appeals ad valorem tax**

This bill amends Sec. 41.45(b) to require the chief appraiser and the ARB to review evidence and argument provided by affidavit before the protest of a hearing. The bill adds Subchapter B-1 to Chapter 42, providing for small claims appeals of ARB hearings. Subchapter B-1 is bracketed to apply only to counties with populations under 120,000. The subchapter expires January 1, 2025. *Effective: 9/1/2019*

**SB 657 Creighton Limitation on increases the appraised value**

Would amend Sec. 23.23, Tax Code, to reduce the limitation on increases in value of residence homesteads from 10% per year to 3% for properties valued at less than \$1 million and 5% for properties valued at more than \$1 million. Effective 1/1/20 contingent on constitutional amendment.

**SB 660 Kolkhorst Relating to the calculation for purposes of recapture under the public school finance system of the taxable value of property of a school district affected by a disaster.**

This bill modifies recapture provisions for certain school districts affected by disaster. Effective 9/1/2019

**SB 662 Campbell D Availability personal information**

Amends Sec. 25.025, Tax Code, to conform previous amendments and to add a state officer elected statewide or a member of the legislature to the list of those who may require the CAD to keep their information confidential.

**SB 689 Paxton, Angela Relating to the repeal of provisions requiring school districts to reduce their wealth per student to the equalized wealth level.**

This bill repeals Chapter 41, Education Code. *Effective:9/1/19*

**SB 701 Nichols, Robert Relating to the qualification of land for appraisal for ad valorem tax purposes as timber land or restricted-use timber land.**

Would amend Sec. 23.72, Tax Code, to provide that roads, rights of way, buffer areas, firebreaks, or land subject to a right of way taken by eminent domain do not disqualify land for consideration as timber land, providing the remainder of the parcel qualifies. Would add Sec. 23.765, providing that oil and gas operations do not disqualify land if the remaining land continues to qualify. Makes conforming amendments to Subchapter H. Effective 9/1/2019.

**SB 717 Lucio, Eddie Relating to the exemption from ad valorem taxation of property owned by a charitable organization that provides a meeting place and support services for organizations that provide assistance to alcoholics or their families.**

Would amend Sec. 11.18, Tax Code, to include providing a meeting place and support services for organizations that in turn provide assistance to alcoholics and their families without regard to ability to pay. Effective 1/1/2020.

**SB 728 Kolkhorst, Lois Relating to the verification of information provided to the comptroller and contained in reports on compliance with agreements under the Texas Economic Development Act.**

Would amend Sec. 313.032, Tax Code, to require certain reports to the comptroller be verified by an independent CPA. Effective 9/1/19.

**SB 738 Hughes, Bryan Relating to the rate at which interest accrues in connection with the deferral or abatement of the collection of ad valorem taxes on certain residence homesteads.**

Would amend Sec. 33.06(d), Tax Code, to change the interest rate on deferred taxes to the 5 year constant maturity Treasury rate. Amends Sec. 33.065(g), Tax Code, to conform. Effective 9/1/19.

**\*\*\*SB 812 Lucio, Eddie Relating to the application of the limit on appraised value of a residence homestead for ad valorem tax purposes to an improvement that is a replacement structure.**

Would amend Sec. 23.23(g), Tax Code, to change the definition of disaster recovery program by substitution "federal law" for specific statutory references. Effective 1/1/2020.

**SB 836 Miles, Borris Relating to the appraisal for ad valorem tax purposes of a housing unit that the owner or a predecessor of the owner acquired from a community land trust.**

Would amend Sec. 23.21(d), Tax Code, to provide that in appraising housing located on land owned by a qualifying community land trust, the chief appraiser may not appraise the house at more than the house may be sold for under an eligible land use restriction (defined). Effective 9/1/19.

**SB 853 Johnson, Nathan Relating to ad valorem tax protests and appeals on the ground of the unequal appraisal of property.**

Amends Secs. 41.43(b)(3) and 42.26(a)(3) to substitute "appraisal ratio" for "appraised value" for purposes of equal and uniform protests. Requires calculation of ratios to be based on the appraised value submitted to the appraisal review board (protests) or certified appraisal roll (litigation). Allows chief appraiser to disclose confidential information for the purpose of meeting the CAD burden of proof if the information does not

identify owner or specific property; requires comparability to be determined with respect to characteristics described in Sec. 23.013(d) Effective 1/1/20.

**SB 854 Johnson, Nathan      Relating to the award of attorney's fees in a judicial appeal of certain ad valorem tax determinations.**

Would amend Sec. 42.29 to limit awards of attorney fees to cases in which the appraised value determined by the court is less than 90% of the appraised value on the roll and to allow an award of reasonable attorney fees not to exceed \$100,000 if the appraised value determined by the court is more than 10% greater than the appraised value on the appraisal roll. Effective 9/1/19.

**SB 894 Creighton, Brandon      Relating to the additional tax imposed on land appraised for ad valorem tax purposes as agricultural, open-space, or timber land if the land is sold or diverted to a different use.**

This bill amends various sections of Chapter 23, Tax Code, to delete interest from rollback tax calculations. Secs. 23.55, 23.76, and 23.9807 are amended to reduce the rollback period from five to three years.  
*Effective: 9/1/19*

**\*\*\*SB 955 Bettencourt, Paul      Relating to the matters that a taxing unit is entitled to challenge before an appraisal review board.**

Would amend Sec. 41.03, Tax Code, to delete a taxing unit's ability to challenge levels of appraisal. Immediate effect.

**\*\*\*SB 956 Bettencourt, Paul      Relating to the correction of an ad valorem tax appraisal roll and related appraisal records.**

Would add Sec. (c-1) to Sec. 25.25, Tax Code, providing for a correction to either of the two preceding years' appraisal rolls of an inaccuracy in the appraised value of an owner's personal property that results from an error or omission in a rendition or property report. The roll may not be changed if the owner failed to timely render or if the property was the subject of a protest brought by the owner, a previous agreed correction, or forfeiture for failure to comply with Sec. 25.26, or the result of a written agreement between owner or agent and the district. Effective 9/1/19.

**SB 1005 Bettencourt, Paul      Relating to the number of days that certain tangible personal property that is exempt from ad valorem taxation due to its location in this state for a temporary period may be located in this state for the purpose of qualifying for the tax exemption.**

Would amend Sec. 11.251, Tax Code, to change references to 175 day qualification periods to 365 days. Effective 1/1/20 contingent on constitutional amendment.

**\*\*\*SB 1006 Bettencourt, Paul      Relating to the exemption from ad valorem taxation of income-producing tangible personal property having a value of less than a certain amount.**

Would amend Sec. 11.145, Tax Code, to increase the exemption for income-producing tangible personal property from \$500 to \$2,500. Effective 1/1/20.

**SB 1007 Bettencourt, Paul      Relating to the prepayment of ad valorem taxes.**

Would amend Sec. 31.072, Tax Code, to make escrow agreements mandatory upon request of a property owner. Additional amendments allow deposits more frequently than monthly and provide for estimates of taxes due and periodic payments required. A contract may not require a schedule of deposits or prescribe a minimum deposit amount. Effective 9/1/19

**\*SB 1013 Hughes, Bryan      Relating to the calculation of the penalty for filing a late application for certain ad valorem tax exemptions and allocations.**

Would amend Secs. 11.4391 and 21.10(b), Tax Code, to set the penalty for a late freeport or allocation application, respectively, at no more than 10 percent of the tax imposed with the exemption or allocation granted. Effective 9/1/19

**SB 1029 Hall, Bob Relating to the eligibility of a person for appointment as an arbitrator in a binding arbitration of an appraisal review board order.**

Would amend Sec. 41A.07, Tax Code, to reduce the waiting period for appointment of an arbitrator after the person's service as a consultant, CAD officer or employee, or ARB member from five years to two years. Effective 9/1/2019.

**SB 1046 Birdwell, Brian Relating to the Property Redevelopment and Tax Abatement Act.**

Would change the expiration date for Chapter 312, Tax Code, to September 1, 2029; require certain information in the notice of a meeting at which a city council approves a tax abatement and requires 120 hours' posting of such a notice. Requires commissioners court to follow the same procedures for approval applicable to a city. Effective 9/1/19.

**SB 1072 Watson, Kirk Relating to the authority of the governing body of a taxing unit that adopts an exemption from ad valorem taxation of a percentage of the appraised value of an individual's residence homestead.**

Would amend Sec. 11.13(n), Tax Code, to allow governing bodies to specify the minimum dollar amount of a percentage homestead as up to \$25,000. Effective 1/1/2020, contingent on constitutional amendment.

**SB 1079 Watson, Kirk Relating to a study regarding ad valorem tax relief through the use of a circuit breaker program.**

Would direct the comptroller to conduct a study of circuit breaker programs that limit property taxes based on a homeowner's annual income. Effective 9/1/19.

**SB 1086 Seliger, Kel Relating to a limitation on increases in the appraised value of real property for ad valorem tax purposes.**

This bill amends Sec. 23.23, Tax Code, to extend the limitation on appraised value provided by that section to all real property. For property other than residence homesteads that is owned by two or more persons, the limitation expires on January 1 following the transfer of at least a 50% interest in the property. Various conforming and transition amendments are included. Effective 1/1/20, contingent on constitutional amendment.

**SB 1143 Hughes, Bryan Relating to the appraisal for ad valorem tax purposes of tangible personal property held for sale at retail and a franchise tax credit based on the ad valorem taxes paid on such property.**

Would provide for the appraisal of retail inventory on the basis of annual sales in substantially the same manner as motor vehicle dealer inventory. Chapter 171, Tax Code, is amended to provide for a credit against franchise taxes for taxes paid by retail inventory owners. Effective 1/1/20.

**SB 1146 Fallon, Pat Relating to the eligibility of certain local officials to serve as the chief appraiser of an appraisal district or as the assessor for a taxing unit that operates an appraisal office.**

Would amend Sec. 6.035, Tax Code, to disqualify elected or appointed officials of taxing units from serving as chief appraiser in counties of more than 20,000. Effective 9/1/2019..

**SB 1157 Fallon, Pat Relating to the deadline for filing an application for an allocation of the value of certain property for ad valorem tax purposes.**

Would amend Sec. 21.09 to change the deadline for filing an allocation application from April 1 to May 1. Effective 1/1/2020.

**SB 1158 Bettencourt, Paul Relating to the extension of the expiration date of the Property Redevelopment and Tax Abatement Act.**

Would amend Chapter 312, Tax Code, to extend its expiration date to September 1, 2031. Immediate effect.

**SB 1161 Kolkhorst, Lois Relating to the determination of the total taxable value of property in a school district under the property value study conducted by the comptroller of public accounts.**

Would amend Sec. 413.304, Government Code, to reduce the amount of value that may be excluded from a school district's market value as a result of a Chapter 313 agreement to one half of the portion of value not fully taxable by the district. Effective 9/1/19..

**SB 1227 Bettencourt, Paul Relating to the date for ordering or holding an election to ratify the ad valorem tax rate of a school district; making conforming changes.**

Would change the freeport exemption filing deadline to June 1; the extended rendition deadline to May 1, the protest deadline to April 15; the records approval deadline to July 5, and the roll certification deadline to July 10. Repeals the early rendition deadline for CADs that have freeport exemptions. Would require a school district that exceeds its rollback rate to call an election, no later than August 15, for the November general election date. Effective 1/1/20.

**\*\*\*SB 1253 Kolkhorst, Lois Relating to a public database maintained by the comptroller of information about certain political subdivisions.**

Would amend Sec. 403.0241, Government Code, to expand the comptroller's special purpose district database to cover all political subdivisions authorized by law to impose taxes, assessments, or charge fees and meeting certain financial requirements. Effective 9/1/19.

**SB 1261 Bettencourt, Paul Relating to the eligibility of a person to serve as the chief appraiser for an appraisal district.**

Would prevent an elected or appointed officer of a taxing unit from serving as chief appraiser. Effective 1/1/2020.

**SB 1278 West, Royce Relating to provisions applicable to affordable housing located in a reinvestment zone in certain areas of the state.**

Bracketed for Dallas County, would require a set aside of at least 20% of revenue from a tax increment fund in a specified type of reinvestment zone for development of affordable housing. Various other provisions apply. Effective 9/1/19.

**SB 1280 West, Royce Relating to the deferral or abatement of the collection of ad valorem taxes on an appreciating residence homestead.**

Would amend Sec. 33.065, Tax Code, to allow deferral of non-delinquent taxes on an appreciating homestead

**SB 1285 Bettencourt, Paul Relating to the procedure for the sale by auction of real property pursuant to foreclosure of a tax lien.**

Would amend Sec. 34.01, Tax Code, to include a licensed auctioneer's commission and fees in calculating the total amount due under a delinquent tax lien foreclosure judgment. Effective 9/1/19.

**SB 1309 Bettencourt, Paul Relating to the assessment and collection of ad valorem taxes imposed by a school district.**

Would amend various sections of the Education and Tax Code to provide that the county assessor-collector assesses and collects taxes for school districts with territory in the county. Effective 9/1/2019.

**SB 1322 Taylor, Larry Relating to a temporary local option exemption from ad valorem taxation of a portion of the appraised value of certain property damaged by a disaster.**

Would repeal the current disaster reappraisal provision (Sec. 23.02) and replaces it with a local option temporary exemption. New Sec. 11.35 applies to business personal property and to improvements to real property located in a governor-declared disaster area. The property must be at least 15% damaged, and, for business personal property, be the subject of a rendition or report establishing situs in the area for the disaster year. Procedures and deadlines for adopting the exemption are specified. Four tiers of exemption, ranging from 15 to 100 percent, are authorized depending on degree of damage. The exemption is prorated to the date of disaster declaration. Provisions for corrected bills and refunds are specified. Owners must apply not later than 45 days after the date the exemption is adopted. A notice of the chief appraiser's action on an

application is required within five days after determination. A protest must be filed not later than the 30th day after the date the property owner receives the notice. The property owner may protest only modification or denial of an application or the determination of the appropriate damage assessment rating. A taxing unit may not challenge the grant of an exemption. § 403. 302 government code is amended to conform. *Effective:*

**SB 1361 Bettencourt, Paul** Relating to the public resale by means of a public auction using online bidding and sale of property purchased by a taxing unit at an ad valorem tax sale.

Would amend Sec. 34.05(d), Tax Code, to allow a commissioners court to implement public auctions using online bidding and sale as described by Sec. 34.01(a-1). Immediate effect.

**SB 1391 Menendez, Jose** Relating to an increase in the amount of the residence homestead exemption from ad valorem taxation by a school district and the increase of the exemption amount in subsequent years to reflect inflation.

Would amend Sec. 11.13(b), Tax Code, to increase the \$15,000 general homestead exemption from school taxes to \$50,000 in 2020 and to index the exemption amount for inflation in subsequent years. Various conforming amendments, including a provision for additional state aid, are included. Effective 1/1/2020 contingent on constitutional amendment.

**SB 1395 Seliger, Kel** Relating to voter approval of a proposed ad valorem tax rate that exceeds the rollback tax rate.

Would amend Sec. 26.08, Tax Code, to make ratification elections mandatory for all taxing units that adopt rates in excess of their rollback rate. Various codes and sections are amended to conform. Effective immediately, and applicable to the 2019 tax year for units that have not adopted rates by the effective date.

**SB 1428 Hancock, Kelly** Relating to the authority of a property owner or owner's agent to bring suit to compel an appraisal district, chief appraiser, or appraisal review board to comply.

Would add Subchapter E to Chapter 41, Tax Code. New Sec. 41.81 would allow an owner or the designated agent of the owner who has filed a protest to sue the CAD, the chief appraiser, or the ARB to compel them to comply with a procedural requirement established by Chapter 41 or an ARB rule that applies to the protest. Suit is filed in district court. The limited purpose is to determine whether the defendant failed to comply with the procedural requirement. The suit cannot address the merits of a Sec. 25.25 motion or of a protest. No discovery may be conducted. The court must set the hearing at the earliest possible date and determine the merits of the suit at the end of the hearing. If the court determines the defendant failed to comply, the court will order the defendant to comply, enter any other orders needed to preserve rights and impose duties, and award court costs and reasonable attorney fees to the owner or the designated agent. The order is final and may not be appealed. Effective 1/1/2020.

**SB 1429 Hancock, Kelly** Relating to the deadline for filing a request for binding arbitration of certain appraisal review board orders.

Would amend Sec. 41A.03, Tax Code, to extend the filing deadline for arbitration from 45 days to 60 days. Effective 9/1/19.

**SB 1430 Hancock, Kelly** Relating to clarifying certain terminology, including terminology applicable to tax rate calculations, in relation to the ad valorem tax system.

Would amend various sections of Chapter 26, Tax Code, to rename the "rollback" rate the "voter approval" rate. Effective 1/1/2020.

**SB 1520 Campbell, Donna** Relating to the calculation of penalties and interest resulting from the final determination of an ad valorem tax appeal that changes a property owner's tax liability.

Would amend Sec. 42.42, Tax Code, to provide that penalty and interest on the unpaid portion of taxes due following an appeal only becomes due if the owner does not pay the unpaid portion by the delinquency date for the supplemental tax bill. Effective 9/1/19.

**SB 1592 Fallon, Pat** Relating to the authority of an appraisal district to use public money for lobbying activity.

Would amend Sec. 305.026, Government Code, to provide that an appraisal district may not use public money to influence legislation. Would permit CAD employees to provide information or appear at committee meetings on request of the legislator. Effective 9/1/19.

**SB 1606 Hall, Bob** Relating to payments in lieu of taxes made by certain conservation and reclamation districts on property used as a reservoir.

Would add Sec. 95.159, Water Code, providing that utility districts that own reservoir property must make payments in lieu of taxes to the taxing units in which the reservoir is located, based on the taxes that would have been levied in the year of acquisition. Effective 9/1/19.

**SB 1617 Hall, Bob** Relating to the eligibility of certain property for certain ad valorem tax incentives if certain renewable energy devices are installed or constructed on the property.

Would amend Chapters 312 and 313, Tax Code, to prohibit property on which a solar or wind-powered energy device is located after September 1, 2019 from receiving a tax abatement or appraisal limitation, respectively. Effective 9/1/2019.

**SB 1703 Lucio, Eddie** Relating to the authority of the governing body of a taxing unit to waive penalties and interest on the delinquent ad valorem taxes of certain federal employees if the delinquency is the result of a federal government shutdown

Would amend Sec. 33.011, Tax Code, to allow a governing body to waive penalty and interest on delinquent taxes of federal employees furloughed or working without pay during a federal government shutdown. Effective 1/1/2020.

**SB 1771 Bettencourt, Paul** Relating to the ad valorem taxation of a leasehold or other possessory interest in certain property owned by a municipality.

Would amend Sec. 25.07, Tax Code, to provide for local option taxation of a leasehold interest in municipally owned convention centers and similar facilities by taxing units other than the municipality. Effective 1/1/2020.

**\*SB 1772 Bettencourt, Paul** Relating to a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property damaged by a disaster.

Would add Sec. 11.35, Tax Code, providing a partial exemption for property that is at least 15 percent damaged by a disaster and located in a declared disaster area. The exemption amount varies from 15 to 100 percent depending on the property's damage. The exemption expires on January 1 of the first year in which the property is reappraised under Sec. 25.18. Various conforming amendments. Effective 1/1/2020 contingent on constitutional amendment.

**SB 1791 Zaffirini, Judith** Relating to the authority of the governing body of a taxing unit in a county in which home prices are appreciating rapidly to adopt a limitation on increases in the appraised value.

Would add Sec. 23.231, Tax Code, allowing the governing body of a taxing unit in a qualifying county to adopt a limitation on increases in the value of homesteads in qualifying census tracts by the greater of a percentage specified by the governing body or the average increase in the median value of the sales price of existing homes in the counties of the state as calculated by HUD. Various conforming amendments are included. Effective 1/1/2020 contingent on constitutional amendment.

**SB 1830 Alvarado, Carol** Relating to the appraisal for ad valorem tax purposes of certain nonexempt property used for low-income or moderate-income housing.

Would amend Sec. 23.215, Tax Code, to provide directions for appraisal of property under construction or that has not reached stabilized occupancy. Effective 1/1/2020.

**SB 1838 West, Royce Relating to the Property Redevelopment and Tax Abatement Act.**

Would amend Sec. 312.002, Tax Code, to require a public hearing concerning adoption, amendment, repeal, or reauthorization of guidelines and criteria; require posting of current version of criteria on the taxing unit's website. Would amend Sec. 312.005 to require the chief appraiser to report appraised value of formerly abated property to the comptroller for the first three years following expiration; would extend the expiration date for Chapter 312 to 2029.

**SB 1856 Paxton, Angela Relating to the payment of certain ad valorem tax refunds.**

Would amend several tax code sections to provide that tax refunds are paid to the person who owned the property on the date the tax was paid. Effective 9/1/29.

**SB 1876 Fallon, Pat Relating to a request for binding arbitration to appeal appraisal review board orders involving two or more contiguous tracts of land.**

Would amend Sec 41A.03 to provide that tracts of land may not be considered to be noncontiguous on the basis of the classifications of the tracts of land, provided that the tracts of land constitute the same economic unit. Effective 9/1/19.

**SB 1903 Fallon, Pat Relating to the exemption of precious metals held in a depository in this state from ad valorem taxation.**

Would add Sec. 11.35, Tax Code, exempting certain precious metals held in a commercial depository. Effective 1/1/2020 contingent on constitutional amendment.

**SB 1930 Zaffirini, Judith Relating to the eligibility of property used for a water desalination project for ad valorem tax benefits under the Texas Economic Development Act.**

Would amend Chapter 313, Tax Code, to make certain desalinization projects eligible for an appraisal limitation under the chapter. Effective 9/1/19.

**SB 1937 Hinojosa, Chuy Relating to the situs for ad valorem tax purposes of certain docks and piers located in more than one county.**

Would add Sec. 21.11, Tax Code, providing that docks and piers adjacent to one county and erected on submerged land of another county are taxable as follows: docks and the personal property permanently located on them are taxable by the mainland county; piers and the personal property permanently located on them are taxable by the submerged land county. Effective 1/1/2020.

**SB 1943 Watson, Kirk Relating to the ad valorem taxation of heir property.**

Would amend various Tax Code sections to define "heir property" as inherited property and to allow an heir who claims the property as a residence homestead to qualify as if the owner were the sole owner of the property. Provides that grant of a homestead exemption does not operate to transfer title to property and provides that the chief appraiser may not be made party to any action over the title. Requires the comptroller to prepare a pamphlet describing heirs' rights. Effective 9/1/19.

**SB 1961 Zaffirini, Judith Relating to the exemption from ad valorem taxation of certain property used to provide low-income or moderate-income housing.**

Would amend sec. 11.1825(s), Tax Code, to increase the percentage of exemption for units in counties of 1.8 million or more from 50% to 100%. Effective 1/1/2020.

**SB 1962 Zaffirini, Judith Relating to the additional tax imposed if the use of land located in certain counties and appraised for ad valorem tax purposes as open-space land is changed.**

Would amend Sec. 23.55, Tax Code, to provide that rollback taxes do not apply to land located in counties of less than 25,000. Effective 9/1/2019.

**SB 1963 Zaffirini, Judith**      **Relating to the eligibility of land for appraisal for ad valorem tax purposes as qualified open-space land.**

**SB 1965 Zaffirini, Judith**      **Relating to the availability of personal information of a current or former federal prosecutor or public defender.**

Would amend Sec. 25.025, Tax Code, to include former federal prosecutors or public defenders in the list of individuals who may keep their personal information confidential. Effective 9/1/2019.

**SB 1986 Creighton, Brandon**      **Relating to the selection and administration of an appraisal review board; authorizing a fee.**

Would amend various sections of the Tax Code to provide for a three member appraisal review board elected at large in the county. Provides that commissioners court appoints auxiliary members from a list of names submitted by the ARB. Effective 1/1/2020 and 1/1/2021.

**SB 1987 Creighton, Brandon**      **Relating to the selection and administration of an appraisal review board in certain counties; authorizing a fee.**

Would amend various sections of the Tax Code to provide that in Montgomery County, a three member appraisal review board elected at large in the county. Provides that commissioners court appoints auxiliary members from a list of names submitted by the ARB. Effective 1/1/2020 and 1/1/2021.

**SB 2059 Menendez, Jose**      **Relating to the confidentiality of certain home address information in ad valorem tax appraisal records.**

Would amend Sec. 25.025, Tax Code, to add employees and volunteers at abortion or family planning services to the list of those who may keep their home address information confidential. Effective 9/1/2019.

**SB 2060 Menendez, Jose**      **Relating to the contents of a notice of appraised value sent to a property owner by the chief appraiser of an appraisal district.**

Would amend Sec. 25.19, Tax Code, to require the appraisal notice to include an explanation of tax preferences (exemptions, limitations, work to pay taxes, deferrals) available to disabled veterans and survivors, the elderly, the disabled, and survivors of armed forces members and first responders killed on duty. Effective 1/1/2020.

**SB 2083 Hinojosa, Chuy**      **Relating to the calculation of the ad valorem taxes imposed on property for the year in which the property is acquired by a governmental entity.**

Would amend Sec. 26.11, Tax Code, to provide for proration of taxes when a governmental entity takes possession of taxable property under a possession and use agreement or under Sec. 21.021, Tax Code. Effective 1/1/2020, contingent on constitutional amendment.

**SB 2101 Birdwell, Brian**      **Relating to the eligibility of the surviving spouse of an individual who is disabled to receive a limitation on the school district ad valorem taxes on the spouse's residence homestead.**

Would amend Sec. 11.26, Tax Code, to provide that the surviving spouse of a disabled person who dies on or after January 1, 2013 is entitled to retain the disabled person's tax ceiling. The limitation for tax years 2013 – 2019 is calculated as if the survivor was entitled to the limitation when the disabled person died. However, the bill applies only to taxes imposed on or after the effective date. Effective 1/1/20 contingent on constitutional amendment.

**SB 2219 Bettencourt, Paul**      **Relating to ballot propositions authorizing political subdivisions to issue bonds or other debt or to impose or change a tax.**

Would amend various statutes to require bond elections to be held on the uniform November election date and to require certain language in propositions relating to the imposition or increase of a tax. Effective 9/1/2019.

**SB 2246 Paxton, Angela**      **Relating to the correction of an ad valorem tax appraisal roll.**  
Would amend Sec. 25.25(d) to permit correction of an error regarding unequal appraisal or excessive market value. Applies to motions filed on or after the effective date. Immediate effect.

**SB 2323 Creighton, Brandon**      **Relating to the payment in installments of ad valorem taxes by members or veterans of the United States armed forces.**  
Would add new Sec. 31.033, Tax Code, permitting certain active duty service members and veterans to pay taxes on residence homesteads and certain small businesses in eight installments annually. Effective 9/1/2019.

**SB 2327 Creighton, Brandon**      **Relating to the payment in installments of ad valorem taxes on property damaged in a disaster.**  
Would amend Sec. 31.032, Tax Code to increase the number of installment payments from four to eight. Effective 1/1/2020.

**SB 2329 Creighton, Brandon**      **Relating to the authorization of expenditures for lobbying activities by certain political subdivisions and other public entities.**  
Would require specific approval of the governing body of specified political subdivisions, including appraisal districts, before spending public money to influence legislation. Effective 9/1/19.

**SB 2337 Bettencourt, Paul**      **Relating to the treatment of captured appraised value and tax increment in the calculation of ad valorem tax rates for a taxing unit.**  
Would repeal Sec. 26.03, Tax Code, concerning adjustments related to tax increments in effective and rollback rate calculations. Effective 1/1/2020.

**SB 2345 Creighton, Brandon**      **Relating to the exemption from ad valorem taxation of real property leased to and used by certain schools.**  
Would add Sec. 11.211, Tax Code, exempting property that a person owns and leases to an open enrollment charter school if the person reduces the school's rent by the amount the taxes are reduced. Effective 1/1/2020 contingent on constitutional amendment.

**SB 2360 Buckingham, Dawn**      **Relating to the rate of interest on certain tax refunds.**  
Would increase the state sales tax rate to 6.5% and dedicate the proceeds to school finance. Effective 10/1/2019.

**SB 2362 West, Royce**      **Relating to the authority of the governing body of a taxing unit to adopt an exemption from ad valorem taxation of an individual's residence homestead.**  
Would amend Sec. 11.13(n), Tax Code, to allow taxing units to increase the minimum calculated amount for a percentage homestead exemption to no more than \$25,000. Effective 1/1/2020, contingent on constitutional amendment.

**SB 2427 Bettencourt, Paul**      **Relating to the collection of delinquent ad valorem taxes.**  
Would amend Sec. 31.06, Tax Code, to allow collectors to require cash, cashier's check, or certified check for payments related to seized property or tax foreclosure suits. Would modify procedures for setting aside a delinquent tax judgment. Allows sale of personal property either at the place for sale of real property or at the location of the property. Immediate effect.

**SB 2441 Taylor, Larry**      **Relating to increasing the state sales and use tax rate, and requiring a reduction in school maintenance and operation ad valorem taxes.**  
Would increase the state sales tax rate by an unspecified amount and allocate the resulting revenue to the foundation school fund for compression of property tax rates. Effective 1/1/2020 contingent on constitutional amendment.

**SB 2468 Creighton, Brandon Relating to the maximum amount of the local option residence homestead exemption from ad valorem taxation by a taxing unit.**

Would authorize a taxing unit to exempt up to 100% of the value of residence homesteads. Effective 1/1/2020.

**SB 2503 Bettencourt, Paul Relating to the calculation of the rollback tax rate of a school district.**

Would amend Sec. 26.08, Tax Code, to change the formula for calculating a school district's tax rate to lesser of the sum of items listed in current subsection (n)(2) (A) – (D), or the sum of (1) the product of the district's maintenance and operation rate and 1.025, and (2) the district's debt rate. Effective 1/1/2020.

**SB 2531 Creighton, Brandon Relating to the disposition of an ad valorem tax protest by means of an agreed order.**

Would amend Sec. 41.47, Tax Code, to require the appraisal review board to issue an agreed order disposing of a protest on joint motion of the property owner or agent and the chief appraiser. The parties could by agreement provide that the order is appealable. The chairman must issue the agreed order within five days of the date the motion is filed, or if the chairman is unable, the board must issue the order within 30 days. Effective 1/1/2020.

## **Constitutional Amendments**

**SJR 10 by Buckingham Unfunded mandates**

Eliminates unfunded mandates for cities or counties.

**SJR 23 by Fallon Personal Income Tax**

This resolution would amend the constitution to prohibit a personal income tax, replacing the current prohibition found in Art. VIII Sec. 24.

**SJR 31 Hinojosa C Effect of sale of property on tax lien**

Would authorize the legislature to waive tax lien enforcement on erroneously exempted property sold in an arms-length transaction. (SB 434)

**SJR 33 Menendez JAd valorem taxes resident homestead**

Would authorize tax limitation for property that has had a homestead exemption in effect for 15 years. (SB 484)

**SJR 36 Buckingham Appraisal district restrictions**

Would amend Art. VIII, Sec. 18 to prevent CADs or ARBs from charging fees for protests.

**SJR 38 Creighton Proposing a constitutional amendment to authorize the legislature to set a lower limit and provide for more than one limit on the maximum appraisal value of a residence homestead for ad valorem taxation.**

Would amend art. VIII, Sec. 1(i) to reduce the minimum homestead cap to 103% and allow the legislature to set varying percentages based on appraised value. (SB 657)

**SJR 40 Johnson, Nathan Proposing a constitutional amendment requiring the state to pay at least 50 percent of the cost of maintaining and operating the public school system.**

**SJR 43 Bettencourt, Paul Proposing a constitutional amendment to extend the number of days that certain tangible personal property that is exempt from ad valorem taxation due to its location in this state.**

(SB 1005)

**SJR 44 Watson, Kirk Proposing a constitutional amendment authorizing the governing body of a political subdivision that adopts an exemption from ad valorem taxation of a percentage of the market value.**

(SB 1072)

**SJR 46 Seliger, Kel Proposing a constitutional amendment to authorize the legislature to limit the maximum appraised value of real property for ad valorem tax purposes.**  
(SB 1086)

**\*SJR 47 Campbell, Donna Proposing a constitutional amendment authorizing the legislature to provide for an exemption from ad valorem taxation of all or part of the market value of the residence homestead of surviving spouses.**  
(SB 196)

**SJR 48 Watson, Kirk Proposing a constitutional amendment requiring the state to pay at least 50 percent of the cost of maintaining and operating the public school system.**

**SJR 49 Taylor, Larry Proposing a constitutional amendment authorizing the legislature to provide for a temporary local option exemption from ad valorem taxation of a portion of the appraised value of certain property damaged by a disaster.**  
(SB 1322)

**SJR 50 Menendez, Jose Proposing a constitutional amendment increasing the amount of the residence homestead exemption from ad valorem taxation for public school purposes, providing for the increase of the exemption amount.**  
(SB 1391)

**\*SJR 57 Bettencourt, Paul** Proposing a constitutional amendment authorizing the legislature to provide for a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property.

**SJR 58 Zaffirini, Judith** Proposing a constitutional amendment to authorize the legislature to permit the governing body of a political subdivision in a county in which home prices are appreciating rapidly.

**SJR 62 Fallon, Pat** Proposing a constitutional amendment relating to the authorization to exempt from ad valorem taxation precious metals.

**SJR 63 Lucio, Eddie** Proposing a constitutional amendment to prohibit an appraisal district or the appraisal review board for an appraisal district from requiring a property owner to pay a fee in connection with a protest.

**SJR 64 Alvarado, Carol** Proposing a constitutional amendment authorizing the legislature to provide for an exemption from ad valorem taxation of certain property owned by or leased to or by a university research technology corporation.

**SJR 67 Birdwell, Brian** Proposing a constitutional amendment to allow the surviving spouse of a person who is disabled to receive a limitation on the school district ad valorem taxes on the spouse's residence homestead if the spouse is 55 years of age

**SJR 69 Paxton, Angela** Proposing a constitutional amendment regarding the limitation on the rate of growth of appropriations and the use of surplus state revenue to provide for property tax relief and public school teacher compensation.

**SJR 71 Bettencourt, Paul** Proposing a constitutional amendment to use revenue attributable to oil and gas production taxes to increase the amount of the exemption of residence homesteads from ad valorem taxation.

**SJR 73 West, Royce** Proposing a constitutional amendment authorizing the governing body of a political subdivision that adopts an exemption from ad valorem taxation of a percentage of the market value.

**SJR 74 Creighton, Brandon** Proposing a constitutional amendment authorizing the legislature to exempt from ad valorem taxation real property leased to certain schools.

**SJR 76 Taylor, Larry** Proposing a constitutional amendment to reduce school district ad valorem tax rates through an increase in the state sales and use tax rate.

**SJR 77 Taylor, Larry** Proposing a constitutional amendment relating to the dedication of certain severance tax collections for school district ad valorem tax compression.