



LINEBARGER

ATTORNEYS AT LAW

Codes Affected 87th Texas Legislature

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June 25, 2021

To the Firm's Attorneys and Valued Clients

Ladies and Gentlemen:

Governmental Affairs is pleased to present *Codes Affected – 87th Texas Legislature*, which provides changes to relevant statutes enacted during the 87th legislative regular session that ended May 31, 2021. This document does not list every Code affected, but focuses instead on those that affect our day-to-day work. Accordingly, we include relevant changes to selected Codes and proposed amendments to the State Constitution.

The Table of Contents serves two purposes. First, by listing every relevant Code, Chapter, Section, or Subsection amended, added, reenacted or repealed, one can check to see whether a given section in, for example, the current Tax Code was changed. Secondly, page numbers point the way to the text of every amendment, addition or repeal.

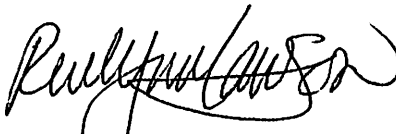
Each entry includes the author, bill number, and its effective date. Many changes already are in effect. Others become effective September 1, 2021 or January 1, 2022.

We hope you find this a useful tool and welcome any comments on the content and format. Likewise, we are happy to answer questions about legislative history or provide any other information that might help explain the circumstances and rationale for the changes the legislature chose to make.

Sincerely,



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87th Legislature

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87th Legislature

Tax Code

Chapter 5 - State Administration

Sec. 5.03. Powers and Duties Generally

(d) Notwithstanding any other provision of this title, the comptroller may, after providing notice, require a document, payment, notice, report, or other item required to be submitted to the comptroller under this title to be submitted electronically and may send a document, payment, notice, report or other item the comptroller is required to send under this title electronically. The comptroller may adopt rules to administer this subsection, including rules specifying the format of an item electronically submitted to or sent by the comptroller.

SB 63 by Nelson and HB 3786 by Holland

Effective September 1, 2021

Sec. 5.041. Training of Appraisal Review Board Members

(b) A member of the appraisal review board established for an appraisal district must complete the course established under Subsection (a). The course must provide at least eight hours of classroom or distance training and education. A member of the appraisal review board may not participate in a hearing conducted by the board unless the person has completed the course established under Subsection (a) and received a certificate of course completion.

(e-1) In addition to the course established under Subsection (a), the comptroller shall approve curricula and provide materials for use in a continuing education course for members of an appraisal review board. The course must provide at least four hours of classroom or distance training and education. The curricula and materials must include information regarding:

- (1) the cost, income, and market data comparison methods of appraising property;
- (2) the appraisal of business personal property;
- (3) the determination of capitalization rates for property appraisal purposes;
- (4) the duties of an appraisal review board;
- (5) the requirements regarding the independence of an appraisal review board from the board of directors

and the chief appraiser and other employees of the appraisal district;

- (6) the prohibitions against ex parte communications applicable to appraisal review board members;
- (7) the Uniform Standards of Professional Appraisal Practice;
- (8) the duty of the appraisal district to substantiate the district's determination of the value of property;
- (9) the requirements regarding the equal and uniform appraisal of property;
- (10) the right of a property owner to protest the appraisal of the property as provided by Chapter 41; and
- (11) a detailed explanation of each of the actions described by Sections 25.25, 41.41(a), 41.411, 41.412,

41.413, 41.42, and 41.43 so that members are fully aware of each of the grounds on which a property appraisal can be appealed.

(i) The comptroller may adopt rules to implement this section, including rules establishing criteria for course availability and for demonstrating course completion.

SB 63 by Nelson and HB 3788 by Holland

Effective September 1, 2021

Sec. 5.103. Appraisal Review Board Oversight

(d) An appraisal review board shall incorporate [follow] the model hearing procedures prepared by the comptroller when adopting the board's [establishing its] procedures for hearings as required by Section 41.01(c). An appraisal review board may adopt procedures that supplement the model hearing procedures, provided that the supplemental procedures do not contradict or circumvent the model hearing procedures.

(e) Each year the comptroller shall review the hearing procedures adopted by each appraisal review board to determine whether the hearing procedures incorporate the model hearing procedures prepared by the comptroller under this section [41.66(a)].

HB 988 by Shine

Effective June 15, 2021

Sec. 5.104. Appraisal Review Board Survey; Report

(l) The comptroller shall issue an annual report that summarizes the information included in the surveys submitted during the preceding tax year. The report must also include a summary of the comments, complaints, and suggestions forwarded to the comptroller during the preceding tax year by taxpayer liaison officers under Section 6.052(a), the results of the comptroller's review of appraisal review board hearing procedures during the preceding tax year under Section 5.103(e), and the results of requests for limited binding arbitration filed with the comptroller during the preceding tax year under Section 41A.015. The report may not disclose the identity of an individual who submitted a survey, comment, complaint, suggestion, or request for arbitration.

HB 988 by Shine

Effective June 15, 2021

Chapter 6 - Local Administration

Sec. 6.03. Board of Directors

(k) Except as provided by Subsection (k-1), the [The] governing body of each taxing unit entitled to vote shall determine its vote by resolution and submit it to the chief appraiser before December 15. The chief appraiser shall count the votes, declare the five candidates who receive the largest cumulative vote totals elected, and submit the results before December 31 to the governing body of each taxing unit in the district and to the candidates. For purposes of determining the number of votes received by the candidates, the candidate receiving the most votes of the conservation and reclamation districts is considered to have received all of the votes cast by conservation and reclamation districts and the other candidates are considered not to have received any votes of the conservation and reclamation districts. The chief appraiser shall resolve a tie vote by any method of chance.

(k-1) This subsection applies only to an appraisal district established in a county with a population of 120,000 or more. The governing body of each taxing unit entitled to cast at least five percent of the total votes must determine its vote by resolution adopted at the first or second open meeting of the governing body that is held after the date the chief appraiser delivers the ballot to the presiding officer of the governing body. The governing body must submit its vote to the chief appraiser not later than the third day following the date the resolution is adopted.

Section 6.03, Tax Code, as amended by this Act, applies only to the selection of members of the board of directors of an appraisal district who are appointed for a term that begins on or after January 1, 2022.

HB 988 by Shine

Effective January 1, 2022

Sec. 6.035. Restrictions on Eligibility and Conduct of Board Members and Chief Appraisers and Their Relatives

(a-1) An individual is ineligible to serve on the board of directors of an appraisal district [~~board of directors~~] if the individual:

(1) has served as a member of the board of directors for all or part of five terms, unless:

(A) the individual was the county assessor-collector at the time the individual served as a board member; or

(B) the appraisal district is established in a county with a population of less than 120,000;

(2) has engaged in the business of appraising property for compensation for use in proceedings under this title at any time during the preceding three years;

(3) has engaged in the business [or] of representing property owners for compensation in proceedings under this title in the appraisal district at any time during the preceding three years; or

(4) has been an employee of the appraisal district at any time during the preceding three years.

Section 6.035(a-1), Tax Code, as amended by this Act, does not affect the eligibility of a person serving as an appointed member of the board of directors of an appraisal district immediately before the effective date of this Act to continue to serve on the board for the remainder of the term to which the member was appointed. Service as an appointed member of the board of directors of an appraisal district before January 1, 2022, does not count for purposes of determining whether a person is ineligible to serve on the board of directors of an appraisal district under Section 6.035(a-1)(1), Tax Code, as added by this Act.

SB 63 by Nelson

Effective September 1, 2021

Sec. 6.052. Taxpayer Liaison Officer

(a) The board of directors for an appraisal district created for a county with a population of more than 120,000 shall appoint a taxpayer liaison officer who shall serve at the pleasure of the board. The taxpayer liaison officer shall administer the public access functions required by Sections 6.04(d), (e), and (f), and is responsible for resolving disputes not involving matters that may be protested under Section 41.41. In addition, the taxpayer liaison officer is responsible for receiving, and compiling a list of, comments, complaints, and suggestions filed by the chief appraiser, a property owner, or a property owner's agent concerning the matters listed in Section 5.103(b) or any other matter related to the fairness and efficiency of the appraisal review board established for the appraisal district. The taxpayer liaison officer shall forward to the comptroller comments, complaints, and suggestions filed under this subsection in the form and manner prescribed by the comptroller not later than December 31 of each year.

(b) The taxpayer liaison officer shall provide to the public information and materials designed to assist property owners in understanding the appraisal process, protest procedures, the procedure for filing comments, complaints, and suggestions under Subsection (a) of this section or a complaint under Section 6.04(g), and other matters. Information concerning the process for submitting comments, complaints, and suggestions to the comptroller concerning an appraisal review board shall be provided at each protest hearing.

(c) The taxpayer liaison officer shall report to the board at each meeting on the status of all comments, complaints, and suggestions filed with the officer under Subsection (a) of this section and all complaints filed with the board under Section 6.04(g).

(g) Notwithstanding any other provision of this chapter, a taxpayer liaison officer does not commit an offense under this chapter if the officer communicates with the chief appraiser or another employee or agent of the appraisal district, a member of the appraisal review board established for the appraisal district, a member of the board of directors of the appraisal district, a property tax consultant, a property owner, an agent of a property owner, or another person if the communication is made in the good faith exercise of the officer's statutory duties.

HB 988 by Shine

Effective June 15, 2021

Sec. 6.052. Taxpayer Liaison Officer

(f) The taxpayer liaison officer [~~for an appraisal district described by Section 6.41(d-1)~~] is responsible for providing clerical assistance to the local administrative district judge in the selection of appraisal review board members. The officer shall deliver to the local administrative district judge any applications to serve on the board that are submitted to the officer and shall perform other duties as requested by the local administrative district judge. The officer may not influence the process for selecting appraisal review board members.

HB 2941 by Burns

Effective June 7, 2021

Sec. 6.054. Restriction on Employment by Appraisal District

An individual may not be employed by an appraisal district if the individual ~~is~~:

(1) ~~is~~ an officer of a taxing unit that participates in the appraisal district; ~~or~~

(2) ~~is~~ an employee of a taxing unit that participates in the appraisal district; or

(3) has served as a member of the appraisal review board for the appraisal district at any time during the preceding two years.

Section 6.054, Tax Code, as amended by this Act, applies only to a former member of an appraisal review board first employed by an appraisal district on or after the effective date of this Act.

SB 63 by Nelson

Effective September 1, 2021

Sec. 6.155. Certain Communications by Taxing Units Prohibited; Penalty

(a) A member of the governing body, officer, or employee of a taxing unit commits an offense if the person directly or indirectly communicates with the chief appraiser or another employee of the appraisal district in which the taxing unit participates for the purpose of influencing the value at which property in the district is appraised unless the person owns or leases the property that is the subject of the communication.

(b) An offense under this section is a Class A misdemeanor.

HB 988 by Shine

Effective January 1, 2022

Sec. 6.41. Appraisal Review Board

(d) Members ~~[Except as provided by Subsection (d-1), members]~~ of the board are appointed by the local administrative district judge under Subchapter D, Chapter 74, Government Code, in the county in which the appraisal district is established ~~[resolution of a majority of the appraisal district board of directors]~~. A vacancy on the board is filled in the same manner for the unexpired portion of the term.

~~(d-1) [In a county with a population of 120,000 or more the members of the board are appointed by the local administrative district judge under Subchapter D, Chapter 74, Government Code, in the county in which the appraisal district is established.]~~ All applications submitted to the appraisal district or to the appraisal review board from persons seeking appointment as a member of the appraisal review board shall be delivered to the local administrative district judge. The appraisal district may provide the local administrative district judge with information regarding whether an applicant for appointment to or a member of the board owes any delinquent ad valorem taxes to a taxing unit participating in the appraisal district.

(d-2) A local administrative district judge ~~[making appointments under Subsection (d-1)]~~ may make ~~[such]~~ appointments to the board directly or may, by written order, appoint from three to five persons to perform the duties of appraisal review board commissioner. If the local administrative district judge chooses to appoint appraisal review board commissioners, each commissioner shall possess the same qualifications as those required of an appraisal review board member.

(d-3) The local administrative judge ~~[making appointments under Subsection (d-1)]~~ shall cause the proper officer to notify ~~[such]~~ appointees to the board of their ~~[such]~~ appointment, and when and where they are to appear.

(e) Members of the board hold office for terms of two years beginning January 1. The appraisal district board of directors by resolution shall provide for staggered terms, so that the terms of as close to one-half of the members as possible expire each year. In making the initial or subsequent appointments, ~~[the board of directors or]~~ the local administrative district judge or the judge's designee shall designate those members who serve terms of one year as needed to comply with this subsection.

(f) A member of the board may be removed from the board ~~[by a majority vote of the appraisal district board of directors, or]~~ by the local administrative district judge or the judge's designee~~[, as applicable, that appointed the member]~~. Grounds for removal are:

- (1) a violation of Section 6.412, 6.413, 41.66(f), or 41.69;
- (2) good cause relating to the attendance of members at called meetings of the board as established by written policy adopted by a majority of the appraisal district board of directors; or
- (3) evidence of repeated bias or misconduct.

(g) Subsection (a) does not preclude the boards of directors of two or more adjoining appraisal districts from providing for the operation of a consolidated appraisal review board by interlocal contract. Members of a consolidated appraisal review board are appointed jointly by the local administrative district judges in the counties in which the appraisal districts that are parties to the contract are established.

(i) ~~[This subsection applies only to an appraisal district described by Subsection (d-1).]~~ A chief appraiser or another employee or agent of the appraisal district, a member of the appraisal review board for the appraisal district, a member of the board of directors of the appraisal district, a property tax consultant, or an agent of a property owner commits an offense if the person communicates with the local administrative district judge regarding the appointment of appraisal review board members. This subsection does not apply to:

(1) a communication between a member of the appraisal review board and the local administrative district judge regarding the member's reappointment to the board;

(2) a communication between the taxpayer liaison officer for the appraisal district and the local administrative district judge in the course of the performance of the officer's clerical duties so long as the officer does not offer an opinion or comment regarding the appointment of appraisal review board members;

(3) a communication between a chief appraiser or another employee or agent of the appraisal district, a member of the appraisal review board for the appraisal district, or a member of the board of directors of the appraisal district and the local administrative district judge regarding information relating to or described by Subsection (d-1), (d-5), or (f) of this section or Section 411.1296, Government Code;

(4) a communication between a property tax consultant or a property owner or an agent of the property owner and the taxpayer liaison officer for the appraisal district regarding information relating to or described by Subsection (f).

(f) The taxpayer liaison officer for the appraisal district shall report the contents of the communication relating to or described by Subsection (f) to the local administrative district judge; or

(5) a communication between a property tax consultant or a property owner or an agent of the property owner and the local administrative district judge regarding information relating to or described by Subsection (f).

(j) A chief appraiser or another employee or agent of an appraisal district commits an offense if the person communicates with a member of the appraisal review board for the appraisal district, a member of the board of directors of the appraisal district, or ~~if the appraisal district is an appraisal district described by Subsection (d-1),~~ the local administrative district judge regarding a ranking, scoring, or reporting of the percentage by which the appraisal review board or a panel of the board reduces the appraised value of property.

The changes made to Section 6.41, Tax Code, as amended by this Act, applies only to the appointment of appraisal review board members to terms beginning on or after January 1, 2022. This Act does not affect the term of an appraisal review board member serving on December 31, 2021, if the member was appointed before that date to a term that began before December 31, 2021, and expires December 31, 2022.

HB 2941 by Burns

Effective June 7, 2021

Sec. 6.41. Appraisal Review Board

(f) A member of the appraisal review board may be removed from the board by a majority vote of the appraisal district board of directors, or by the local administrative district judge or the judge's designee, as applicable, that appointed the member. Not later than the 90th day after the date the board of directors, local administrative district judge, or judge's designee that appointed a member of the appraisal review board learns of a potential ground for removal of the member, the board of directors, local administrative district judge, or judge's designee, as applicable, shall remove the member or find by official action that the member's removal is not warranted. Grounds for removal are:

- (1) a violation of Section 6.412, 6.413, 41.66(f), or 41.69;
- (2) good cause relating to the attendance of members at called meetings of the board as established by written policy adopted by a majority of the appraisal district board of directors; or
- (3) evidence of repeated bias or misconduct.

Section 6.41(f), Tax Code, as amended by this Act, applies only to a potential ground for removal of a member of an appraisal review board that an appraisal district board of directors, local administrative district judge, or local administrative district judge's designee, as applicable, first learns of on or after the effective date of this Act.

SB 63 by Nelson

Effective September 1, 2021

NOTE: SB 63 and HB 2941 amend Sec. 6.41(f). Below is a combination of both bills.

Sec. 6.41. Appraisal Review Board

(f) A member of the appraisal review board may be removed from the board by the local administrative district judge or the judge's designee. Not later than the 90th day after the date the board of directors, local administrative district judge, or judge's designee that appointed a member of the appraisal review board learns of a potential ground for removal of the member, the board of directors, local administrative district judge, or judge's designee, as applicable, shall remove the member or find by official action that the member's removal is not warranted. Grounds for removal are:

- (1) a violation of Section 6.412, 6.413, 41.66(f), or 41.69;
- (2) good cause relating to the attendance of members at called meetings of the board as established by written policy adopted by a majority of the appraisal district board of directors; or
- (3) evidence of repeated bias or misconduct.

Sec. 6.412. Restrictions on Eligibility of Board Members

(d) A person is ineligible to serve on the appraisal review board of an appraisal district established for a county with a population of 120,000 or more ~~[described by Section 6.41(d-1)]~~ if the person:

- (1) is a former member of the board of directors, former officer, or former employee of the appraisal district;
- (2) served as a member of the governing body or officer of a taxing unit for which the appraisal district appraises property, until the fourth anniversary of the date the person ceased to be a member or officer;
- (3) appeared before the appraisal review board for compensation during the two-year period preceding the date the person is appointed; or
- (4) served for all or part of three previous terms as a board member or auxiliary board member on the appraisal review board.

HB 2941 by Burns

Effective June 7, 2021

Chapter 11 - Taxable Property and Exemptions

Sec. 11.131. Residence Homestead Of 100 Percent or Totally Disabled Veteran

(b) A disabled veteran who has been awarded by ~~[receives from]~~ the United States Department of Veterans Affairs or its successor 100 percent disability compensation due to a service-connected disability and a rating of 100 percent disabled or of individual unemployability is entitled to an exemption from taxation of the total appraised value of the veteran's residence homestead.

The change in law made by this Act applies only to an ad valorem tax year that begins on or after the effective date of this Act.

SB 794 by Campbell

Effective January 1, 2022

Sec. 11.133. Residence Homestead of Surviving Spouse of Member of Armed Services Killed In Line of Duty Action

(b) The surviving spouse of a member of the armed services of the United States who is killed or fatally injured in the line of duty ~~[in action]~~ is entitled to an exemption from taxation of the total appraised value of the surviving spouse's residence homestead if the surviving spouse has not remarried since the death of the member of the armed services.

Section 11.133, Tax Code, as amended by this Act, applies only to a tax year beginning on or after January 1, 2022.

Section 11.133, Tax Code, as amended by this Act, takes effect January 1, 2022, but only if the constitutional amendment proposed by the 87th Legislature, Regular Session, 2021, 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 the surviving spouse of a member of the armed services of the United States who is killed or fatally injured in the line of duty is approved by the voters. If that amendment is not approved by the voters, Section 11.133, Tax Code, as amended by this Act, has no effect.

SB 611 by Campbell

Effective January 1, 2022

Sec. 11.145. Income-Producing Tangible Personal Property Having Value of Less Than \$2,500 ~~[\$500]~~

(a) A person is entitled to an exemption from taxation of the tangible personal property the person owns that is held or used for the production of income if that property has a taxable value of less than \$2,500 ~~[\$500]~~.

This Act applies only to ad valorem taxes imposed for a tax year that begins on or after the effective date of this Act.

SB 1449 by Bettencourt

Effective January 1, 2022

Sec. 11.18. Charitable Organizations

(p) The exemption authorized by Subsection (d)(23) applies only to property that:

- (1) is owned by a charitable organization that has been in existence for at least:
 - (A) 20 ~~[12]~~ years if the property is located in a county described by Subdivision (4)(A); or
 - (B) two years if the property is located in a municipality described by Subdivision (4)(B);
 - (2) is located on a tract of land that:
 - (A) is at least 15 acres in size; and
 - (B) was either:
 - (i) owned by the organization on July 1, 2021; or
 - (ii) acquired by donation and owned by the organization on January 1, 2023;
 - (3) is used to provide permanent housing and related services to individuals described by that subsection;
- and
- (4) ~~[(3)]~~ is located ~~[on or consists of a single campus]~~ in:
 - (A) a county [municipality] with a population of more than one million [750,000] and less than 1.5 million; or
 - (B) a municipality with a population of more than 100,000 and less than 150,000 at least part of which is located in a county with a population of less than 5,000 [850,000 or within the extraterritorial jurisdiction of such a municipality].

This Act applies only to an ad valorem tax year that begins on or after the effective date of this Act.

HB 115 by Rodriguez

Effective January 1, 2022

Sec. 11.20. Religious Organizations

(j) A tract of land that is contiguous to the tract of land on which the religious organization's place of regular religious worship is located may not be exempted under Subsection (a)(6) for more than 10 ~~six~~ years. A tract of land that is not contiguous to the tract of land on which the religious organization's place of regular religious worship is located may not be exempted under Subsection (a)(6) for more than three years. For purposes of this subsection, a tract of land is considered to be contiguous with another tract of land if the tracts are divided only by a road, railroad track, river, or stream.

This Act applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this Act.

HB 1197 by Metcalf

Effective January 1, 2022

Sec. 11.211. Real Property Leased To Certain Schools

The portion of real property that is leased to an independent school district, community college district, or open-enrollment charter school authorized by Subchapter C, D, or E, Chapter 12, Education Code, is qualified and exempt from taxation pursuant to Sections 11.11 and 11.21 of this code if the portion of the real property that is leased to the public school is:

(1) used exclusively by the public school for the operation or administration of the school or the performance of other educational functions of the school; and

(2) reasonably necessary for a purpose described in Subdivision (1) as found by the school's governing body.

The change in law made by this Act applies only to ad valorem taxes imposed in a tax year that begins on or after the effective date of this Act.

HB 3610 by Gervin-Hawkins

Effective September 1, 2021

Sec. 11.252. Motor Vehicles Leased For Use Other Than Production of Income

(d) In connection with the requirements and procedures under Subsection (c), the comptroller by rule shall adopt a form to be completed by the lessee of a motor vehicle for which the owner of the vehicle may apply for an exemption under Subsection (a). The form shall require a lessee who is an individual to provide the lessee's name, address, and driver's license or personal identification certificate number. The form shall require a lessee that is an entity described by Subsection (b) to provide the lessee's name, address, and, if applicable, federal tax identification number. The form shall require a lessee who is an individual, or the authorized representative of a lessee that is an entity described by Subsection (b), to certify, either under oath or by written, unsworn declaration, that the lessee does not hold the vehicle for the production of income and that the vehicle is used primarily for activities that do not involve the production of income. The comptroller shall include on the form a notice of the penalties prescribed by Section 37.10, Penal Code, for making a false statement on the form.

HB 988 by Shine

Effective January 1, 2022

Sec. 11.253. Tangible Personal Property in Transit

(l) This subsection applies only to a taxing unit any part of which is located in an area designated a disaster area by a disaster declaration issued under Section 418.014 or 418.108, Government Code, on or after January 1, 2020. Notwithstanding Subsections (a)(2)(C), (e), and (g), the governing body of a taxing unit, in the manner provided by law for official action, may extend the date by which goods-in-transit must be transported to another location in this state or outside this state to a date not later than the 270th day after the date the person acquired the property in or imported the property into this state. An extension adopted by official action under this subsection applies only to:

(1) the exemption from ad valorem taxation by the taxing unit adopting the extension; and

(2) the tax year in which the extension is adopted.

(m) This subsection and Subsection (l) expire December 31, 2025.

Section 11.253, Tax Code, as amended by this Act, applies only to a tax year beginning on or after January 1, 2022.

HB 988 by Shine

Effective January 1, 2022

Sec. 11.27. Solar and Wind-Powered Energy Devices

(a) A person is entitled to an exemption from taxation of the amount of appraised value of real ~~his~~ property owned by the person that arises from the installation or construction on the property of a solar or wind-powered energy device that is primarily for production and distribution of energy for on-site use.

(a-1) A person is entitled to an exemption from taxation of the appraised value of a solar or wind-powered energy device owned by the person that is installed or constructed on real property and is primarily for production and

distribution of energy for on-site use regardless of whether the person owns the real property on which the device is installed or constructed.

The amendment made by this Act to Section 11.27, Tax Code, is a clarification of existing law and does not imply that existing law may be construed as inconsistent with the law as amended by this Act.

SB 63 by Nelson

Effective September 1, 2021

Sec. 11.35. Temporary Exemption for Qualified Property Damaged by Disaster

(a) In this section:

(1) "Damage" means physical damage.

(2) "Qualified[, "qualified] property" means property that:

(A) [(+)] consists of:

(i) [(A)] tangible personal property used for the production of income;

(ii) [(B)] an improvement to real property; or

(iii) [(C)] a manufactured home as that term is defined by Section 1201.003, Occupations Code, that is used as a dwelling, regardless of whether the owner of the manufactured home elects to treat the manufactured home as real property under Section 1201.2055, Occupations Code;

(B) [(2)] is located in an area declared by the governor to be a disaster area following a disaster;

(C) [(3)] is at least 15 percent damaged by the disaster, as determined by the chief appraiser under this section; and

(D) [(4)] for property described by Paragraph (A)(i) [Subdivision (1)(A)], is the subject of a rendition statement or property report filed by the property owner under Section 22.01 that demonstrates that the property had taxable situs in the disaster area for the tax year in which the disaster occurred.

(g) The chief appraiser shall assign to an item of qualified property:

(1) a Level I damage assessment rating if the property is at least 15 percent, but less than 30 percent, damaged, meaning that the property suffered minimal damage and may continue to be used as intended;

(2) a Level II damage assessment rating if the property is at least 30 percent, but less than 60 percent, damaged, which, for qualified property described by Subsection (a)(2)(A)(ii) or (iii) [(a)(1)(B) or (C)], means that the property has suffered only nonstructural damage, including nonstructural damage to the roof, walls, foundation, or mechanical components, and the waterline, if any, is less than 18 inches above the floor;

(3) a Level III damage assessment rating if the property is at least 60 percent damaged but is not a total loss, which, for qualified property described by Subsection (a)(2)(A)(ii) or (iii) [(a)(1)(B) or (C)], means that the property has suffered significant structural damage requiring extensive repair due to the failure or partial failure of structural elements, wall elements, or the foundation, or the waterline is at least 18 inches above the floor; or

(4) a Level IV damage assessment rating if the property is a total loss, meaning that repair of the property is not feasible.

The amendment made by this Act is a clarification of existing law and does not imply that existing law may be construed as inconsistent with the law as amended by this Act.

SB 1427 by Bettencourt

Effective June 16, 2021

Sec. 11.35. Temporary Exemption for Qualified Property Damaged by Disaster

~~REPEALED: [(e) Notwithstanding Subsection (b), if the governor first declares territory in a taxing unit to be a disaster area as a result of a disaster on or after the date a taxing unit adopts a tax rate for the tax year in which the declaration is issued, a person is not entitled to the exemption for that tax year unless the governing body of the taxing unit adopts the exemption in the manner provided by law for official action by the body.~~

~~(d) An exemption adopted by the governing body of a taxing unit under Subsection (c) must:~~

~~(1) specify the disaster to which the exemption pertains; and~~

~~(2) be adopted not later than the 60th day after the date the governor first declares territory in the taxing unit to be a disaster area as a result of the disaster.~~

~~(e) A taxing unit the governing body of which adopts an exemption under Subsection (c) shall, not later than the seventh day after the date the governing body adopts the exemption, notify the chief appraiser of each appraisal district in which the taxing unit participates, the assessor for the taxing unit, and the comptroller of the adoption of the exemption.]~~

The changes in law made by this Act to Section 11.35, Tax Code, applies only to ad valorem taxes imposed for a tax year that begins on or after January 1, 2022.

SB 1438 by Bettencourt

Effective June 16, 2021

Sec. 11.43. Application for Exemption

(s) A person who qualifies for an exemption under Section 11.35(b) must apply for the exemption not later than the 105th day after the date the governor declares the area in which the person's qualified property is located to be a disaster area. ~~[A person who qualifies for an exemption under Section 11.35(e) must apply for the exemption not later than the 45th day after the date the governing body of the taxing unit adopts the exemption.]~~ The chief appraiser may extend the deadline ~~[deadlines]~~ prescribed by this subsection for good cause shown.

The changes in law made by this Act to Section 11.43, Tax Code, applies only to ad valorem taxes imposed for a tax year that begins on or after January 1, 2022.

SB 1438 by Bettencourt

Effective June 16, 2021

Sec. 11.431. Late Application for Homestead Exemption

(a) ~~Except as provided by Section 11.439, the [The] chief appraiser shall accept and approve or deny an application for a residence homestead exemption[; including an exemption under Section 11.131 or 11.132 for the residence homestead of a disabled veteran or the surviving spouse of a disabled veteran, an exemption under Section 11.133 for the residence homestead of the surviving spouse of a member of the armed services of the United States who is killed in action, or an exemption under Section 11.134 for the residence homestead of the surviving spouse of a first responder who is killed or fatally injured in the line of duty,] after the deadline for filing it has passed if it is filed not later than two years after the delinquency date for the taxes on the homestead.~~

Section 11.431, Tax Code, as amended by this Act, applies only to an application for an exemption filed for a tax year that begins on or after the effective date of this Act.

SB 611 by Campbell

Effective January 1, 2022

Sec. 11.439. Late Applications [Application] For Disabled Veterans Exemptions [Exemption]

(a) The chief appraiser shall accept and approve or deny an application for an exemption under Section 11.131 or 11.132 for the residence homestead of a disabled veteran but not the surviving spouse of the disabled veteran or Section 11.22 after the filing deadline provided by Section 11.43 if the application is filed not later than five years after the delinquency date for the taxes on the property.

Section 11.439, Tax Code, as amended by this Act, applies only to an application for an exemption filed for a tax year that begins on or after the effective date of this Act.

SB 611 by Campbell

Effective January 1, 2022

Sec. 11.45. Action on Exemption Applications

(a) The chief appraiser shall determine separately each applicant's right to an exemption. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the later of the date the applicant first qualifies for the exemption or the date the applicant provides to the chief appraiser the information necessary for the chief appraiser to determine the applicant's right to the exemption, as the law and facts warrant:

- (1) approve the application and allow the exemption;
- (2) modify the exemption applied for and allow the exemption as modified;
- (3) disapprove the application and request additional information from the applicant in support of the claim;

or

- (4) deny the application.

(b) If the chief appraiser requires ~~[requests]~~ additional information from an applicant, the chief appraiser shall, as soon as practicable but not later than the 30th day after the date the application is filed with the chief appraiser, deliver a written notice to the applicant specifying the additional information the applicant must provide to the chief appraiser before the chief appraiser can determine the applicant's right to the exemption. The [the] applicant must furnish the information not later than the 30th day [it within 30 days] after the date of the request or the application is denied. However, for good cause shown the chief appraiser may extend the deadline for furnishing the information by written order for a single period not to exceed 15 days.

(d) If the chief appraiser modifies or denies an application ~~[exemption]~~, the chief appraiser [he] shall deliver a written notice of the modification or denial to the applicant not later than the fifth day [within five days] after the date the chief appraiser [he] makes the determination. The notice must state and fully explain each reason the chief appraiser modified or denied the application. The notice must [He shall] include [with the notice] a brief explanation of the procedures for protesting the modification or denial [his action].

(e) If the chief appraiser approves, modifies, or denies an application for an exemption under Section 11.35, the chief appraiser shall deliver a written notice of the approval, modification, or denial to the applicant not later than the fifth day after the date the chief appraiser makes the determination. The notice must include the damage assessment rating assigned by the chief appraiser to each item of qualified property that is the subject of the application and a brief explanation of the procedures for protesting the chief appraiser's determination. If the chief appraiser modifies or denies the application, the notice must state and fully explain each reason the chief appraiser modified or denied the application. The notice required under this subsection is in lieu of any notice that would otherwise be required under Subsection (d).

Sections 11.45(a) and (b), Tax Code, as amended by this Act, apply only to an application filed with a chief appraiser on or after the effective date of this Act. Sections 11.45(d) and (e), Tax Code, as amended by this Act, apply only to a notice required to be delivered by a chief appraiser on or after the effective date of this Act.

SB 63 by Nelson

Effective September 1, 2021

Sec. 11.50. Provision of Names of Individuals Receiving Residence Homestead Exemption to Another Chief Appraiser

(a) The chief appraiser of an appraisal district may request that the chief appraiser of another appraisal district provide to the requesting chief appraiser a list of the names of all individuals who currently receive an exemption for a residence homestead in the appraisal district for which the request is made.

(b) A chief appraiser who receives a request under Subsection (a) shall provide the list to the requesting chief appraiser as soon as practicable.

(c) A provision of law making information described by Subsection (a) confidential does not apply to the disclosure of that information under this section to another chief appraiser.

The changes in law made by this Act apply only to a notice of appraised value received by a property owner on or after the effective date of this Act.

SB 1088 by Creighton

Effective September 1, 2021

Chapter 21 - Taxable Situs

Sec. 21.021. Vessels and Other Watercraft

(a) Except as otherwise provided by Section 21.031(b-2), a [A] vessel or other watercraft used as an instrumentality of commerce, [(as defined by [in] Section 21.031, [21.031(b) of this code]) is taxable pursuant to Section 21.02 [of this code].

(b) A special-purpose vessel or other watercraft not used as an instrumentality of commerce, [(as defined by [in] Section 21.031, [21.031(b) of this code]) is deemed to be located on January 1 for more than a temporary period for purposes of Section 21.02 [of this code] in the taxing unit in which it was physically located during the year preceding the tax year. If the vessel or watercraft was physically located in more than one taxing unit during the year preceding the tax year, it is deemed to be located for more than a temporary period for purposes of Section 21.02 [of this code] in the taxing unit in which it was physically located for the longest period during the year preceding the tax year or for 30 days, whichever is longer. If a vessel or other watercraft is not deemed to be located in any taxing unit on January 1 for more than a temporary period pursuant to this subsection, the property is taxable as provided by Sections 21.02(a)(2) through (4) [Subdivisions (2) through (4) of Section 21.02 of this code].

Section 21.021, Tax Code, as amended by this Act, applies only to the allocation of the value and the determination of the situs of vessels and other watercraft for ad valorem tax purposes beginning on or after January 1, 2022.

HB 988 by Shine

Effective January 1, 2022

Sec. 21.031. Allocation of Taxable Value of Vessels and Other Watercraft Used Outside This State

(b) The appraisal office shall make the allocation as provided by Subsections (b-1), (b-2), and (b-3).

(b-1) Except as provided by Subsection (b-2), the [follows:

[(1) The] allocable portion of the total fair market value of a vessel or other watercraft used as an instrumentality of commerce that is taxable in this state is determined by multiplying the total fair market value by a fraction, the numerator of which is the number of miles the vessel or watercraft was operated in this state during the year preceding the tax year and the denominator of which is the total number of miles the vessel or watercraft was operated during the year preceding the tax year. [For purposes of this section, "vessel or other watercraft used as an

instrumentality of commerce" means a vessel or other watercraft that is primarily employed in the transportation of cargo, passengers, or equipment, and that is economically employed when it is moving from point to point as a means of transportation.]

(b-2) A property owner that operates a fleet of vessels or other watercraft that are used as instrumentalities of commerce may elect in writing submitted to the appraisal office to have the appraisal office make the allocation under this subsection. If the property owner makes the election, the allocable portion of the total fair market value of a vessel or other watercraft that is part of the property owner's fleet, is used as an instrumentality of commerce, is taxable in this state, and has taxable situs at a location in the appraisal district is determined by multiplying the total fair market value of the vessel or other watercraft by a fraction, the numerator of which is the number of miles that all the vessels or other watercraft of the property owner's fleet that are used as instrumentalities of commerce, are taxable in this state, and have taxable situs at a location in the same appraisal district as the vessel or other watercraft the value of which is allocated under this subsection were operated in this state during the year preceding the tax year and the denominator of which is the total number of miles that all the vessels or other watercraft of the property owner's fleet that are used as instrumentalities of commerce, are taxable in this state, and have taxable situs at a location in the same appraisal district as the vessel or other watercraft the value of which is allocated under this subsection were operated during the year preceding the tax year. Notwithstanding Sections 21.02 and 21.021, a property owner that elects to have the appraisal office make the allocation of the property owner's fleet under this subsection may designate the location of the property owner's principal place of business as the taxable situs of the fleet.

(b-3) [(2)] The allocable portion of the total fair market value of a special-purpose vessel or other watercraft not used as an instrumentality of commerce is determined by multiplying the total fair market value by a fraction, the numerator of which is the number of days the vessel or watercraft was physically located in this state during the year preceding the tax year and the denominator of which is 365. [For purposes of this section, "special-purpose vessel or other watercraft not used as an instrumentality of commerce" means a vessel or other watercraft that:

(A) is designed to be transient and customarily is moved from location to location on a more or less regular basis;

(B) is economically employed when operated in a localized area or in a fixed place; and

(C) is not primarily employed to transport cargo, passengers, and equipment but rather to perform some specialized function or operation not requiring constant movement from point to point.]

(i) For purposes of this section:

(1) "Special-purpose vessel or other watercraft not used as an instrumentality of commerce" means a vessel or other watercraft that:

(A) is designed to be transient and customarily is moved from location to location on a more or less regular basis;

(B) is economically employed when operated in a localized area or in a fixed place; and

(C) is not primarily employed to transport cargo, passengers, and equipment but rather to perform some specialized function or operation not requiring constant movement from point to point.

(2) "Vessel or other watercraft used as an instrumentality of commerce" means a vessel or other watercraft that is primarily employed in the transportation of cargo, passengers, or equipment, and that is economically employed when it is moving from point to point as a means of transportation.

Section 21.031, Tax Code, as amended by this Act, applies only to the allocation of the value and the determination of the situs of vessels and other watercraft for ad valorem tax purposes beginning on or after January 1, 2022.

HB 988 by Shine

Effective January 1, 2022

Chapter 23 - Appraisal Methods and Procedures

Sec. 23.013. Market Data Comparison Method of Appraisal

(e) In this subsection, "designated historic district" means an area that is zoned or otherwise designated as a historic district under municipal, state, or federal law. In determining the market value of residential real property located in a designated historic district, the chief appraiser shall consider the effect on the property's value of any restriction placed by the historic district on the property owner's ability to alter, improve, or repair the property.

This Act applies to the appraisal for ad valorem tax purposes of residential real property only for a tax year beginning on or after the effective date of this Act.

HB 3971 by Meyer

Effective January 1, 2022

Sec. 23.014. Exclusion of Property as Real Property

Except as provided by Section 23.24(b), in determining the market value of real property, the chief appraiser shall analyze the effect on that value of, and exclude from that value the value of, any:

- (1) tangible personal property, including trade fixtures;
- (2) intangible personal property; ~~[or]~~
- (3) chicken coops or rabbit pens used for the noncommercial production of food for personal consumption;

or

- (4) other property that is not subject to appraisal as real property.

This Act applies only to the appraisal of property for a tax year beginning on or after the effective date of this Act.

HB 2535 by Sanford

Effective January 1, 2022

Sec. 23.121. Dealer's Motor Vehicle Inventory; Value

(h) If a dealer fails to file a declaration as required by this section, ~~[or if, on the declaration required by this section, a dealer reports the sale of fewer than five motor vehicles in the prior year,]~~ the chief appraiser may ~~[shall]~~ report the dealer ~~[that fact]~~ to the Texas Department of Motor Vehicles to [and the department shall] initiate cancellation of the dealer's general distinguishing number ~~[termination proceedings]~~. The chief appraiser shall include with the report written verification that the chief appraiser informed the dealer of the requirement to file a declaration under this section ~~[a copy of a declaration, if any, indicating the sale by a dealer of fewer than five motor vehicles in the prior year. A report by a chief appraiser to the Texas Department of Motor Vehicles as provided by this subsection is prima facie grounds for the cancellation of the dealer's general distinguishing number under Section 503.038(a)(9), Transportation Code, or for refusal by the Texas Department of Motor Vehicles to renew the dealer's general distinguishing number].~~

(h-1) If, on the declaration required by this section, a dealer reports the sale of fewer than five motor vehicles in the prior year, the chief appraiser shall report the dealer to the Texas Department of Motor Vehicles to initiate cancellation of the dealer's general distinguishing number. The chief appraiser shall include with the report a copy of a declaration indicating the sale by a dealer of fewer than five motor vehicles in the prior year. A report by a chief appraiser to the Texas Department of Motor Vehicles as provided by this subsection is prima facie grounds for the cancellation of the dealer's general distinguishing number under Section 503.038(a)(9), Transportation Code, or for refusal by the Texas Department of Motor Vehicles to renew the dealer's general distinguishing number.

HB 3514 by Canales

Effective September 1, 2021

Sec. 23.21. Property Used to Provide Affordable Housing

(c) In appraising land ~~[or a housing unit]~~ that is leased by a community land trust created or designated under Section 373B.002, Local Government Code, to a family meeting the income-eligibility standards established by Section 373B.006 of that code under regulations or restrictions limiting the amount that the family may be required to pay for the rental or lease of the property, the chief appraiser shall use the income method of appraisal as described by Section 23.012 to determine the appraised value of the property. The chief appraiser shall use that method regardless of whether the chief appraiser considers that method to be the most appropriate method of appraising the property. In appraising the property, the chief appraiser shall:

(1) take into account the uses and limitations applicable to the property, including the terms of the lease applicable to the property, for purposes of computing the actual rental income from the property and projecting future rental income; and

(2) use the same capitalization rate that the chief appraiser uses to appraise other rent-restricted properties [extent to which that use and limitation reduce the market value of the property].

(c-1) In appraising a housing unit that is leased by a community land trust created or designated under Section 373B.002, Local Government Code, to a family meeting the income-eligibility standards established by Section 373B.006 of that code under regulations or restrictions limiting the amount that the family may be required to pay for the rental or lease of the property, the chief appraiser shall use the income method of appraisal as described by Section 23.012 to determine the appraised value of the property. The chief appraiser shall use that method regardless of whether the chief appraiser considers that method to be the most appropriate method of appraising the property. In appraising the property, the chief appraiser shall:

(1) take into account the uses and limitations applicable to the property, including the terms of the lease applicable to the property, for purposes of computing the actual rental income from the property and projecting future rental income; and

(2) use the same capitalization rate that the chief appraiser uses to appraise other rent-restricted properties.

(d) In appraising a housing unit that the owner or a predecessor of the owner acquired from a community land trust created or designated under Section 373B.002, Local Government Code, and that is located on land owned by the trust and leased by the owner of the housing unit, the chief appraiser shall take into account the extent to which any regulations or restrictions limiting the right of the owner of the housing unit to sell the housing unit, including any limitation on the price for which the housing unit may be sold, reduce the market value of the housing unit. If the sale of the housing unit is subject to an eligible land use restriction, the chief appraiser may not appraise the housing unit in a tax year for an amount that exceeds the price for which the housing unit may be sold under the eligible land use restriction in that tax year. For purposes of this subsection, "eligible land use restriction" means an agreement, deed restriction, or restrictive covenant applicable to the housing unit that:

- (1) is recorded in the real property records;
- (2) has a term of at least 40 years;
- (3) restricts the price for which the housing unit may be sold to a price that is equal to or less than the market value of the housing unit; and
- (4) restricts the sale of the housing unit to a family meeting the income-eligibility standards established by Section 373B.006, Local Government Code.

This Act applies only to ad valorem taxes imposed for a tax year that begins on or after the effective date of this Act.

SB 113 by West

Effective September 1, 2021

Sec. 23.215. Appraisal of Certain Nonexempt Property Used For Low-Income or Moderate-Income Housing

(a) This section applies only to real property owned by an organization:

(1) for the purpose of renting the property [that on the effective date of this section was rented] to a low-income or moderate-income individual or family satisfying the organization's income eligibility requirements [and that continues to be used for that purpose];

(2) that is or will be [was] financed under the low income housing tax credit program under Subchapter DD, Chapter 2306, Government Code, and subject to a land use restriction agreement under that subchapter;

(3) that does not receive an exemption under Section 11.182 or 11.1825; and

(4) the owner of which has not entered into an agreement with any taxing unit to make payments to the taxing unit instead of taxes on the property.

(b) In appraising property that is under construction or that has not reached stabilized occupancy on January 1 of the tax year in which the property is appraised, the [The] chief appraiser shall determine the value of [appraise] the property in the manner provided by Section 11.1825(q) using the property's projected income and expenses for the first full year of operation as established and utilized in the underwriting report pertaining to the property prepared by the Texas Department of Housing and Community Affairs under Subchapter DD, Chapter 2306, Government Code, and adjust that value as provided by this subsection to determine the appraised value of the property. For a property under construction on January 1, the chief appraiser shall adjust the value to reflect the percentage of the construction that is complete on January 1. For a property on which construction is complete but that has not reached stabilized occupancy on January 1, the chief appraiser shall adjust the value to reflect the actual occupancy of the property on January 1. For purposes of this subsection, a property is not considered to be under construction if the purpose of the work being performed on the property is the maintenance or rehabilitation of the property.

(c) In appraising property for the first tax year following the year in which construction on the property is complete and occupancy of the property has stabilized and any tax year subsequent to that year, the chief appraiser shall determine the appraised value of the property in the manner provided by Section 11.1825(q).

The change in law made by Section 23.215, Tax Code, as amended by this Act, applies only to an ad valorem tax year that begins on or after January 1, 2022.

HB 3833 by King, Phil

Effective June 15, 2021

Sec. 23.44. Action on Application

(a) The chief appraiser shall determine individually each claimant's right to the agricultural designation. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the later of the date the claimant is first eligible for the agricultural designation or the date the claimant provides to the chief appraiser the information necessary for the chief appraiser to determine the claimant's right to the agricultural designation, as the law and facts warrant:

- (1) approve the application and designate the land for agricultural use;
- (2) disapprove the application and request additional information from the claimant in support of the claim;

or

(3) deny the application.

(b) If the chief appraiser requires ~~requests~~ additional information from a claimant, the chief appraiser shall, as soon as practicable but not later than the 30th day after the date the application is filed with the chief appraiser, deliver a written notice to the claimant specifying the additional information the claimant must provide to the chief appraiser before the chief appraiser can determine the applicant's right to the agricultural designation. The [the] claimant must furnish the information not later than the 30th day [within 30 days] after the date of the request or the application is denied. However, for good cause shown the chief appraiser may extend the deadline for furnishing additional information by written order for a single period not to exceed 15 days.

(d) If the chief appraiser denies an application, the chief appraiser [he] shall deliver a written notice of the denial to the claimant not later than the fifth day [within five days] after the date of denial. The notice must state and fully explain each reason the chief appraiser denied the application. The notice must include a brief explanation of the procedures for protesting the denial.

Sections 23.44(a) and (b), Tax Code, as amended by this Act, apply only to an application filed with a chief appraiser on or after the effective date of this Act. Section 23.44(d), Tax Code, as amended by this Act, apply only to a notice required to be delivered by a chief appraiser on or after the effective date of this Act.

SB 63 by Nelson

Effective September 1, 2021

Sec. 23.46. Additional Taxation

(e-1) A portion of a parcel of land is not diverted to nonagricultural use for purposes of Subsection (c) because the portion is subject to a right-of-way that is less than 200 feet wide and that was taken by condemnation if the remainder of the parcel of land qualifies for appraisal under this subchapter.

(g) If the additional taxes are due because the land has been diverted to a nonagricultural use as a result of a condemnation, the additional taxes and interest imposed by this section are the personal obligation of the condemning entity and not the property owner from whom the property was taken.

Section 23.46(e-1), Tax Code, as added by this Act, applies only to the appraisal of land for ad valorem tax purposes for a tax year that begins on or after the effective date of this Act. Section 23.46(g), Tax Code, as added by this Act, applies only to a change of use of land that occurs on or after the effective date of this Act.

SB 725 by Schwertner

Effective September 1, 2021

Sec. 23.55. Change of Use of Land

(a) If the use of land that has been appraised as provided by this subchapter changes, an additional tax is imposed on the land equal to the difference between the taxes imposed on the land for each of the three years preceding the year in which the change of use occurs that the land was appraised as provided by this subchapter and the tax that would have been imposed had the land been taxed on the basis of market value in each of those years~~[plus interest at an annual rate of five percent calculated from the dates on which the differences would have become due]~~. For purposes of this subsection, the chief appraiser may not consider any period during which land is owned by the state in determining whether a change in the use of the land has occurred.

(b) A tax lien attaches to the land on the date the change of use occurs to secure payment of the additional tax ~~[and interest]~~ imposed by this section and any penalties and interest incurred if the tax becomes delinquent. The lien exists in favor of all taxing units for which the additional tax is imposed.

(e) Subject to Section 23.551, a determination that a change in use of the land has occurred is made by the chief appraiser. The chief appraiser shall deliver a notice of the determination to the owner of the land as soon as possible after making the determination and shall include in the notice an explanation of the owner's right to protest the determination. If the owner does not file a timely protest or if the final determination of the protest is that the additional taxes are due, the assessor for each taxing unit shall prepare and deliver a bill for the additional taxes ~~[plus interest]~~ as soon as practicable. The taxes ~~[and interest]~~ are due and become delinquent and incur penalties and interest as provided by law for ad valorem taxes imposed by the taxing unit if not paid before the next February 1 that is at least 20 days after the date the bill is delivered to the owner of the land.

(f) The sanctions provided by Subsection (a) ~~[of this section]~~ do not apply if the change of use occurs as a result of:

(1) a sale for right-of-way;

(2) a condemnation;

(3) a transfer of the property to the state or a political subdivision of the state to be used for a public purpose;

or

(4) a transfer of the property from the state, a political subdivision of the state, or a nonprofit corporation created by a municipality with a population of more than one million under the Development Corporation Act (Subtitle

C1, Title 12, Local Government Code) to an individual or a business entity for purposes of economic development if the comptroller determines that the economic development is likely to generate for deposit in the general revenue fund during the next two fiscal bienniums an amount of taxes and other revenues that equals or exceeds 20 times the amount of additional taxes ~~[and interest]~~ that would have been imposed under Subsection (a) had the sanctions provided by that subsection applied to the transfer.

(m) For purposes of determining whether a transfer of land qualifies for the exemption from additional taxes provided by Subsection (f)(4), on an application of the entity transferring or proposing to transfer the land or of the individual or entity to which the land is transferred or proposed to be transferred, the comptroller shall determine the amount of taxes and other revenues likely to be generated as a result of the economic development for deposit in the general revenue fund during the next two fiscal bienniums. If the comptroller determines that the amount of those revenues is likely to equal or exceed 20 times the amount of additional taxes ~~[and interest]~~ that would be imposed under Subsection (a) if the sanctions provided by that subsection applied to the transfer, the comptroller shall issue a letter to the applicant stating the comptroller's determination and shall send a copy of the letter by regular mail to the chief appraiser.

(n) Within one year of the conclusion of the two fiscal bienniums for which the comptroller issued a letter as provided under Subsection (m), the board of directors of the appraisal district, by official board action, may direct the chief appraiser to request the comptroller to determine if the amount of revenues was equal to or exceeded 20 times the amount of taxes ~~[and interest]~~ that would have been imposed under Subsection (a). The comptroller shall issue a finding as to whether the amount of revenue met the projected increases. The chief appraiser shall review the results of the comptroller's finding and shall make a determination as to whether sanctions under Subsection (a) should be imposed. If the chief appraiser determines that the sanctions provided by Subsection (a) shall be imposed, the sanctions shall be based on the date of the transfer of the property under Subsection (f)(4).

Section 23.55, Tax Code, as amended by this Act, applies only to a change of use of land appraised under Subchapter D, Chapter 23, Tax Code, that occurs on or after the effective date of this Act.

HB 3833 by King, Phil

Effective June 15, 2021

Sec. 23.57. Action on Applications

(a) The chief appraiser shall determine separately each applicant's right to have the applicant's [his] land appraised under this subchapter. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the later of the date the applicant's land is first eligible for appraisal under this subchapter or the date the applicant provides to the chief appraiser the information necessary for the chief appraiser to determine the applicant's right to have the applicant's land appraised under this subchapter, as the law and facts warrant:

- (1) approve the application and allow appraisal under this subchapter;
- (2) disapprove the application and request additional information from the applicant in support of the claim;

or

- (3) deny the application.

(b) If the chief appraiser requires [requests] additional information from an applicant, the chief appraiser shall, as soon as practicable but not later than the 30th day after the date the application is filed with the chief appraiser, deliver a written notice to the applicant specifying the additional information the applicant must provide to the chief appraiser before the chief appraiser can determine the applicant's right to have the applicant's land appraised under this subchapter. The [the] applicant must furnish the information not later than the 30th day [it within 30 days] after the date of the request or the application is denied. However, for good cause shown the chief appraiser may extend the deadline for furnishing the information by written order for a single period not to exceed 15 days.

(d) If the chief appraiser denies an application, the chief appraiser [he] shall deliver a written notice of the denial to the applicant not later than the fifth day [within five days] after the date the chief appraiser [he] makes the determination. The notice must state and fully explain each reason the chief appraiser denied the application. The notice must [He shall] include [with the notice] a brief explanation of the procedures for protesting the denial [his action and a full explanation of the reasons for denial of the application].

Sections 23.57(a) and (b), Tax Code, as amended by this Act, apply only to an application filed with a chief appraiser on or after the effective date of this Act. Section 23.57(d), Tax Code, as amended by this Act, applies only to a notice required to be delivered by a chief appraiser on or after the effective date of this Act.

SB 63 by Nelson

Effective September 1, 2021

Sec. 23.58. Loan Secured By Lien on Open-Space Land

(c) A provision in an instrument pertaining to a loan secured by a lien in favor of the lender on land appraised according to this subchapter that requires the borrower to make a payment to protect the lender from loss because of the imposition of additional taxes ~~[and interest]~~ under Section 23.55 is void unless the provision:

(1) requires the borrower to pay into an escrow account established by the lender an amount equal to the additional taxes ~~[and interest]~~ that would be due under Section 23.55 if a change of use occurred on January 1 of the year in which the loan is granted or amended;

(2) requires the escrow account to bear interest to be credited to the account monthly;

(3) permits the lender to apply money in the escrow account to the payment of a bill for additional taxes ~~[and interest]~~ under Section 23.55 before the loan is paid and requires the lender to refund the balance remaining in the escrow account after the bill is paid to the borrower; and

(4) requires the lender to refund the money in the escrow account to the borrower on the payment of the loan.

(d) On the request of the borrower or the borrower's representative, the assessor for each taxing unit shall compute the additional taxes ~~[and interest]~~ that would be due that taxing unit under Section 23.55 if a change of use occurred on January 1 of the year in which the loan is granted or amended. The assessor may charge a reasonable fee not to exceed the actual cost of making the computation.

Section 23.58, Tax Code, as amended by this Act, applies only to a loan secured by a lien on open-space land that is contracted for on or after the effective date of this Act.

HB 3833 by King, Phil

Effective June 15, 2021

Sec. 23.76. Change of Use of Land

(a) If the use of land that has been appraised as provided by this subchapter changes, an additional tax is imposed on the land equal to the difference between the taxes imposed on the land for each of the three years preceding the year in which the change of use occurs that the land was appraised as provided by this subchapter and the tax that would have been imposed had the land been taxed on the basis of market value in each of those years~~[, plus interest at an annual rate of five percent calculated from the dates on which the differences would have become due]~~.

(b) A tax lien attaches to the land on the date the change of use occurs to secure payment of the additional tax ~~[and interest]~~ imposed by this section and any penalties ~~and interest~~ incurred if the tax becomes delinquent. The lien exists in favor of all taxing units for which the additional tax is imposed.

(e) A determination that a change in use of the land has occurred is made by the chief appraiser. The chief appraiser shall deliver a notice of the determination to the owner of the land as soon as possible after making the determination and shall include in the notice an explanation of the owner's right to protest the determination. If the owner does not file a timely protest or if the final determination of the protest is that the additional taxes are due, the assessor for each taxing unit shall prepare and deliver a bill for the additional taxes ~~[and interest]~~ as soon as practicable after the change of use occurs. The taxes ~~[and interest]~~ are due and become delinquent and incur penalties and interest as provided by law for ad valorem taxes imposed by the taxing unit if not paid before the next February 1 that is at least 20 days after the date the bill is delivered to the owner of the land.

Section 23.76, Tax Code, as amended by this Act, applies only to a change of use of land appraised under Subchapter E, Chapter 23, Tax Code, that occurs on or after the effective date of this Act.

HB 3833 by King, Phil

Effective June 15, 2021

Sec. 23.79. Action on Applications

(a) The chief appraiser shall determine separately each applicant's right to have the applicant's [his] land appraised under this subchapter. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the later of the date the applicant's land is first eligible for appraisal under this subchapter or the date the applicant provides to the chief appraiser the information necessary for the chief appraiser to determine the applicant's right to have the applicant's land appraised under this subchapter, as the law and facts warrant:

(1) approve the application and allow appraisal under this subchapter;

(2) disapprove the application and request additional information from the applicant in support of the claim;

or

(3) deny the application.

(b) If the chief appraiser requires [requests] additional information from an applicant, the chief appraiser shall, as soon as practicable but not later than the 30th day after the date the application is filed with the chief appraiser, deliver

a written notice to the applicant specifying the additional information the applicant must provide to the chief appraiser before the chief appraiser can determine the applicant's right to have the applicant's land appraised under this subchapter. The [the] applicant must furnish the information not later than the 30th day [it within 30 days] after the date of the request or the application is denied. However, for good cause shown the chief appraiser may extend the deadline for furnishing the information by written order for a single period not to exceed 15 days.

(d) If the chief appraiser denies an application, the chief appraiser [he] shall deliver a written notice of the denial to the applicant not later than the fifth day [within five days] after the date the chief appraiser [he] makes the determination. The notice must state and fully explain each reason the chief appraiser denied the application. The notice must [He shall] include [with the notice] a brief explanation of the procedures for protesting the denial [his action].

Sections 23.79(a) and (b), Tax Code, as amended by this Act, apply only to an application filed with a chief appraiser on or after the effective date of this Act. Section 23.79(d), Tax Code, as amended by this Act, applies only to a notice required to be delivered by a chief appraiser on or after the effective date of this Act.

SB 63 by Nelson

Effective September 1, 2021

Sec. 23.85. Action on Application

(a) The chief appraiser shall determine individually each claimant's right to appraisal under this subchapter. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the later of the date the claimant is first eligible for appraisal under this subchapter or the date the claimant provides to the chief appraiser the information necessary for the chief appraiser to determine the claimant's right to appraisal under this subchapter, as the law and facts warrant:

- (1) approve the application and allow appraisal under this subchapter;
- (2) disapprove the application and request additional information from the claimant in support of the claim;

or

- (3) deny the application.

(b) If the chief appraiser requires [requests] additional information from a claimant, the chief appraiser shall, as soon as practicable but not later than the 30th day after the date the application is filed with the chief appraiser, deliver a written notice to the claimant specifying the additional information the claimant must provide to the chief appraiser before the chief appraiser can determine the claimant's right to appraisal under this subchapter. The [the] claimant must furnish the information not later than the 30th day [within 30 days] after the date of the request or the application is denied. However, for good cause shown the chief appraiser may extend the deadline for furnishing additional information by written order for a single period not to exceed 15 days.

(d) If the chief appraiser denies an application, the chief appraiser [he] shall deliver a written notice of the denial to the claimant not later than the fifth day [within five days] after the date of denial. The notice must state and fully explain each reason the chief appraiser denied the application. The notice must include a brief explanation of the procedures for protesting the denial.

Sections 23.85(a) and (b), Tax Code, as amended by this Act, apply only to an application filed with a chief appraiser on or after the effective date of this Act. Section 23.85(d), Tax Code, as amended by this Act, applies only to a notice required to be delivered by a chief appraiser on or after the effective date of this Act.

SB 63 by Nelson

Effective September 1, 2021

Sec. 23.86. Additional Taxation for Preceding Years

(a) If land that has been appraised under this subchapter is no longer subject to a deed restriction or is diverted to a use other than recreational, park, or scenic uses, an additional tax is imposed on the land equal to the difference between the taxes imposed on the land for each of the three [five] years preceding the year in which the change of use occurs or the deed restriction expires that the land was appraised as provided by this subchapter and the tax that would have been imposed had the land not been restricted to recreational, park, or scenic uses in each of those years[; plus interest at an annual rate of seven percent calculated from the dates on which the differences would have become due].

(b) A tax lien attaches to the land on the date the change of use occurs or the deed restriction expires to secure payment of the additional tax [and interest] imposed by this section and any penalties and interest incurred if the tax becomes delinquent. The lien exists in favor of all taxing units for which the additional tax is imposed.

Section 23.86, Tax Code, as amended by this Act, applies only to a change of use of land appraised under Subchapter F, Chapter 23, Tax Code, that occurs on or after the effective date of this Act.

HB 3833 by King, Phil

Effective June 15, 2021

Sec. 23.95. Action on Application

(a) The chief appraiser shall determine individually each claimant's right to appraisal under this subchapter. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the later of the date the claimant is first eligible for appraisal under this subchapter or the date the claimant provides to the chief appraiser the information necessary for the chief appraiser to determine the claimant's right to appraisal under this subchapter, as the law and facts warrant:

- (1) approve the application and allow appraisal under this subchapter;
- (2) disapprove the application and request additional information from the claimant in support of the claim;

or

- (3) deny the application.

(b) If the chief appraiser requires ~~[requests]~~ additional information from a claimant, the chief appraiser shall, as soon as practicable but not later than the 30th day after the date the application is filed with the chief appraiser, deliver a written notice to the claimant specifying the additional information the claimant must provide to the chief appraiser before the chief appraiser can determine the claimant's right to appraisal under this subchapter. The ~~[the]~~ claimant must furnish the information not later than the 30th day ~~[within 30 days]~~ after the date of the request or before April 15, whichever is earlier, or the application is denied. However, for good cause shown the chief appraiser may extend the deadline for furnishing additional information by written order for a single period not to exceed 15 days.

(d) If the chief appraiser denies an application, the chief appraiser ~~[he]~~ shall deliver a written notice of the denial to the claimant not later than the fifth day ~~[within five days]~~ after the date of denial. The notice must state and fully explain each reason the chief appraiser denied the application. The notice must include a brief explanation of the procedures for protesting the denial.

Sections 23.95(a) and (b), Tax Code, as amended by this Act, apply only to an application filed with a chief appraiser on or after the effective date of this Act. Section 23.95(d), Tax Code, as amended by this Act, applies only to a notice required to be delivered by a chief appraiser on or after the effective date of this Act.

SB 63 by Nelson

Effective September 1, 2021

Sec. 23.96. Taxation for Preceding Years

(a) If airport property that has been appraised under this subchapter is no longer subject to a deed restriction, an additional tax is imposed on the property equal to the difference between the taxes imposed on the property for each of the three ~~[five]~~ years preceding the year in which the deed restriction expires that the property was appraised as provided by this subchapter and the tax that would have been imposed had the property not been restricted to use as public access airport property in each of those years~~[, plus interest at an annual rate of seven percent calculated from the dates on which the differences would have become due].~~

(b) A tax lien attaches to the property on the date the deed restriction expires to secure payment of the additional tax ~~[and interest]~~ imposed by this section and any penalties and interest incurred if the tax becomes delinquent. The lien exists in favor of all taxing units for which the additional tax is imposed.

Section 23.96, Tax Code, as amended by this Act, applies only to a change of use of land appraised under Subchapter G, Chapter 23, Tax Code, that occurs on or after the effective date of this Act.

HB 3833 by King, Phil

Effective June 15, 2021

Sec. 23.9805. Action on Application

(a) The chief appraiser shall determine separately each applicant's right to have the applicant's land appraised under this subchapter. After considering the application and all relevant information, the chief appraiser shall, as soon as practicable but not later than the 90th day after the later of the date the applicant's land is first eligible for appraisal under this subchapter or the date the applicant provides to the chief appraiser the information necessary for the chief appraiser to determine the applicant's right to have the applicant's land appraised under this subchapter, based on the law and facts:

- (1) approve the application and allow appraisal under this subchapter;
- (2) disapprove the application and request additional information from the applicant in support of the claim;

or

- (3) deny the application.

(b) If the chief appraiser requires ~~[requests]~~ additional information from an applicant, the chief appraiser shall, as soon as practicable but not later than the 30th day after the date the application is filed with the chief appraiser, deliver a written notice to the applicant specifying the additional information the applicant must provide to the chief appraiser before the chief appraiser can determine the applicant's right to have the applicant's land appraised under this

subchapter. The ~~the~~ applicant must furnish the information ~~it~~ not later than the 30th day after the date of the request or the chief appraiser shall deny the application. However, for good cause shown, the chief appraiser may extend the deadline for furnishing the information by written order for a single period not to exceed 15 days.

(d) If the chief appraiser denies an application, the chief appraiser shall deliver a written notice of the denial to the applicant not later than the fifth day after the date the chief appraiser makes the determination. The notice must state and fully explain each reason the chief appraiser denied the application. The chief appraiser shall include with the notice a brief explanation of the procedures for protesting the denial.

Sections 23.9805(a) and (b), Tax Code, as amended by this Act, apply only to an application filed with a chief appraiser on or after the effective date of this Act. Section 23.9805(d), Tax Code, as amended by this Act, applies only to a notice required to be delivered by a chief appraiser on or after the effective date of this Act.

SB 63 by Nelson

Effective September 1, 2021

Sec. 23.9807. Change of Use of Land

(a) If the use of land that has been appraised as provided by this subchapter changes to a use that qualifies the land for appraisal under Subchapter E, an additional tax is imposed on the land equal to ~~the sum of:~~

~~[(1)]~~ the difference between:

~~(1) [(A)]~~ the taxes imposed on the land for each of the three ~~five~~ years preceding the year in which the change of use occurs that the land was appraised as provided by this subchapter; and

~~(2) [(B)]~~ the taxes that would have been imposed had the land been appraised under Subchapter E in each of those years~~;~~ and

~~[(2)] interest at an annual rate of seven percent calculated from the dates on which the differences would have become due].~~

(b) If the use of land that has been appraised as provided by this subchapter changes to a use that does not qualify the land for appraisal under Subchapter E or under this subchapter, an additional tax is imposed on the land equal to ~~the sum of:~~

~~[(1)]~~ the difference between:

~~(1) [(A)]~~ the taxes imposed on the land for each of the three ~~five~~ years preceding the year in which the change of use occurs that the land was appraised as provided by this subchapter; and

~~(2) [(B)]~~ the taxes that would have been imposed had the land been taxed on the basis of market value in each of those years~~;~~ and

~~[(2)] interest at an annual rate of seven percent calculated from the dates on which the differences would have become due].~~

(c) A tax lien attaches to the land on the date the change of use occurs to secure payment of the additional tax ~~and interest~~ imposed by this section and any penalties and interest incurred if the tax becomes delinquent. The lien exists in favor of all taxing units for which the additional tax is imposed.

(f) A determination that a change in use of the land has occurred is made by the chief appraiser. The chief appraiser shall deliver a notice of the determination to the owner of the land as soon as possible after making the determination and shall include in the notice an explanation of the owner's right to protest the determination. If the owner does not file a timely protest or if the final determination of the protest is that the additional taxes are due, the assessor for each taxing unit shall prepare and deliver a bill for the additional taxes ~~and interest~~ as soon as practicable after the change of use occurs. The taxes ~~and interest~~ are due and become delinquent and incur penalties and interest as provided by law for ad valorem taxes imposed by the taxing unit if not paid before the next February 1 that is at least 20 days after the date the bill is delivered to the owner of the land.

Section 23.9807, Tax Code, as amended by this Act, applies only to a change of use of land appraised under Subchapter H, Chapter 23, Tax Code, that occurs on or after the effective date of this Act.

HB 3833 by King, Phil

Effective June 15, 2021

Chapter 25 - Local Appraisal

Sec. 25.02. Form and Content

(c) Each appraisal record must have a unique account number. If an appraisal district changes the account number of an appraisal record, the appraisal district must provide written notice of the change to the property owner as soon as practicable after the change and provide notice of the change in the next notice of appraised value of the property included in the record that is delivered to the property owner under Section 25.19.

(d) This subsection does not apply to an appraisal record for a residential property, for an improvement only, or for a property on which a delinquent tax is due. On the written request of a property owner, the chief appraiser shall combine contiguous parcels or tracts of the owner's real property into a single appraisal record. On the written request of a property owner, the chief appraiser shall separate identifiable segments of the owner's parcel or tract of real property into individual appraisal records.

(e) A property owner must make a request under Subsection (d) before January 1 of the tax year for which the requested change to the appraisal records is to be made. The request must contain a legal description as contained in a deed sufficient to describe the property subject to the request.

(f) If a chief appraiser refuses to combine parcels or tracts, or separate a parcel or tract, on request of a property owner under Subsection (d), the appraisal review board may order the requested change on a motion filed by the property owner under Section 25.25 or a protest filed under Chapter 41.

(g) The combination of contiguous parcels or tracts of real property into a single appraisal record or the separation of identifiable segments of a parcel or tract of real property into individual appraisal records under this section does not affect the application of generally accepted appraisal methods and techniques to the appraisal of real property associated with those appraisal records, including real property that is part of the same economic unit as real property contained in the same or another appraisal record.

HB 988 by Shine

Effective January 1, 2022

Sec. 25.025. Confidentiality of Certain Home Address Information

Section 25.025(a), Tax Code, as amended by Chapters 467 (H.B. 4170), 469 (H.B. 4173), 633 (S.B. 1494), 1213 (S.B. 662), and 1245 (H.B. 2446), Acts of the 86th Legislature, Regular Session, 2019, is reenacted and amended to read as follows:

(a) This section applies only to:

(1) a current or former peace officer as defined by Article 2.12, Code of Criminal Procedure, and the spouse or surviving spouse of the peace officer;

(2) the adult child of a current peace officer as defined by Article 2.12, Code of Criminal Procedure;

(3) a county jailer as defined by Section 1701.001, Occupations Code;

(4) an employee of the Texas Department of Criminal Justice;

(5) a commissioned security officer as defined by Section 1702.002, Occupations Code;

(6) an individual who shows that the individual, the individual's child, or another person in the individual's household is a victim of family violence as defined by Section 71.004, Family Code, by providing:

(A) a copy of a protective order issued under Chapter 85, Family Code, or a magistrate's order for emergency protection issued under Article 17.292, Code of Criminal Procedure; or

(B) other independent documentary evidence necessary to show that the individual, the individual's child, or another person in the individual's household is a victim of family violence;

(7) an individual who shows that the individual, the individual's child, or another person in the individual's household is a victim of sexual assault or abuse, stalking, or trafficking of persons by providing:

(A) a copy of a protective order issued under Subchapter A or B, Chapter 7B, Code of Criminal Procedure, or a magistrate's order for emergency protection issued under Article 17.292, Code of Criminal Procedure; or

(B) other independent documentary evidence necessary to show that the individual, the individual's child, or another person in the individual's household is a victim of sexual assault or abuse, stalking, or trafficking of persons;

(8) a participant in the address confidentiality program administered by the attorney general under Subchapter B, Chapter 58, Code of Criminal Procedure, who provides proof of certification under Article 58.059, Code of Criminal Procedure;

(9) a federal judge, a state judge, or the spouse of a federal judge or state judge;

(10) a current or former district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(11) a current or former employee of a district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(12) an officer or employee of a community supervision and corrections department established under Chapter 76, Government Code, who performs a duty described by Section 76.004(b) of that code;

(13) a criminal investigator of the United States as described by Article 2.122(a), Code of Criminal Procedure;

(14) a police officer or inspector of the United States Federal Protective Service;

(15) a current or former United States attorney or assistant United States attorney and the spouse and child of the attorney;

(16) a current or former employee of the office of the attorney general who is or was assigned to a division of that office the duties of which involve law enforcement;

(17) a medical examiner or person who performs forensic analysis or testing who is employed by this state or one or more political subdivisions of this state;

(18) a current or former member of the United States armed forces who has served in an area that the president of the United States by executive order designates for purposes of 26 U.S.C. Section 112 as an area in which armed forces of the United States are or have engaged in combat;

(19) a current or former employee of the Texas Juvenile Justice Department or of the predecessors in function of the department;

(20) a current or former juvenile probation or supervision officer certified by the Texas Juvenile Justice Department, or the predecessors in function of the department, under Title 12, Human Resources Code;

(21) a current or former employee of a juvenile justice program or facility, as those terms are defined by Section 261.405, Family Code;

(22) a current or former employee of the Texas Civil Commitment Office or the predecessor in function of the office or a division of the office; ~~and~~

(23) a current or former employee of a federal judge or state judge;

(24) a current or former child protective services caseworker, adult protective services caseworker, or investigator for the Department of Family and Protective Services or a current or former employee of a department contractor performing child protective services caseworker, adult protective services caseworker, or investigator functions for the contractor on behalf of the department; ~~and~~

(25) ~~[(24)]~~ a state officer elected statewide or a member of the legislature; and

(26) ~~[(24)]~~ a firefighter or volunteer firefighter or emergency medical services personnel as defined by Section 773.003, Health and Safety Code.

HB 3607 by Leach

Effective September 1, 2021

Sec. 25.025. Confidentiality of Certain Home Address Information

Section 25.025(a), Tax Code, as amended by Chapters 467 (H.B. 4170), 469 (H.B. 4173), 633 (S.B. 1494), 1213 (S.B. 662), and 1245 (H.B. 2446), Acts of the 86th Legislature, Regular Session, 2019, is reenacted and amended to read as follows:

(a) This section applies only to:

(1) a current or former peace officer as defined by Article 2.12, Code of Criminal Procedure, and the spouse or surviving spouse of the peace officer;

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(3) a county jailer as defined by Section 1701.001, Occupations Code;

(4) an employee of the Texas Department of Criminal Justice;

(5) a commissioned security officer as defined by Section 1702.002, Occupations Code;

(6) an individual who shows that the individual, the individual's child, or another person in the individual's household is a victim of family violence as defined by Section 71.004, Family Code, by providing:

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(B) other independent documentary evidence necessary to show that the individual, the individual's child, or another person in the individual's household is a victim of sexual assault or abuse, stalking, or trafficking of persons;

(8) a participant in the address confidentiality program administered by the attorney general under Subchapter B, Chapter 58, Code of Criminal Procedure, who provides proof of certification under Article 58.059, Code of Criminal Procedure;

(9) a federal judge, a state judge, or the spouse of a federal judge or state judge;

(10) a current or former district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(11) a current or former employee of a district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(12) an officer or employee of a community supervision and corrections department established under Chapter 76, Government Code, who performs a duty described by Section 76.004(b) of that code;

(13) a criminal investigator of the United States as described by Article 2.122(a), Code of Criminal Procedure;

(14) a police officer or inspector of the United States Federal Protective Service;

(15) a current or former United States attorney or assistant United States attorney and the spouse and child of the attorney;

(16) a current or former employee of the office of the attorney general who is or was assigned to a division of that office the duties of which involve law enforcement;

(17) a medical examiner or person who performs forensic analysis or testing who is employed by this state or one or more political subdivisions of this state;

(18) a current or former member of the United States armed forces who has served in an area that the president of the United States by executive order designates for purposes of 26 U.S.C. Section 112 as an area in which armed forces of the United States are or have engaged in combat;

(19) a current or former employee of the Texas Juvenile Justice Department or of the predecessors in function of the department;

(20) a current or former juvenile probation or supervision officer certified by the Texas Juvenile Justice Department, or the predecessors in function of the department, under Title 12, Human Resources Code;

(21) a current or former employee of a juvenile justice program or facility, as those terms are defined by Section 261.405, Family Code;

(22) a current or former employee of the Texas Civil Commitment Office or the predecessor in function of the office or a division of the office; [and]

(23) a current or former employee of a federal judge or state judge;

(24) a current or former child protective services caseworker, adult protective services caseworker, or investigator for the Department of Family and Protective Services or a current or former employee of a department contractor performing child protective services caseworker, adult protective services caseworker, or investigator functions for the contractor on behalf of the department; [and]

(25) an elected public [(24)—a state] officer; and [elected statewide or a member of the legislature]

(26) [(24)] a firefighter or volunteer firefighter or emergency medical services personnel as defined by Section 773.003, Health and Safety Code.

The changes in law made by this Act to Section 25.025, Tax Code, applies only to a request for information that is received by a governmental body or an officer on or after the effective date of this Act. A request for information that was received before the effective date of this Act is governed by the law in effect on the date the request was received, and the former law is continued in effect for that purpose. To the extent of any conflict, this Act prevails over another Act of the 87th Legislature, Regular Session, 2021, relating to nonsubstantive additions to and corrections in enacted codes.

HB 1082 by King, Phil

Effective May 19, 2021

Sec. 25.025. Confidentiality of Certain Home Address Information

Section 25.025(a), Tax Code, as amended by Chapters 467 (H.B. 4170), 469 (H.B. 4173), 633 (S.B. 1494), 1213 (S.B. 662), and 1245 (H.B. 2446), Acts of the 86th Legislature, Regular Session, 2019, is reenacted and amended to read as follows:

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(1) a current or former peace officer as defined by Article 2.12, Code of Criminal Procedure, and the spouse or surviving spouse of the peace officer;

(2) the adult child of a current peace officer as defined by Article 2.12, Code of Criminal Procedure;

(3) a county jailer as defined by Section 1701.001, Occupations Code;

(4) an employee of the Texas Department of Criminal Justice;

(5) a commissioned security officer as defined by Section 1702.002, Occupations Code;

(6) an individual who shows that the individual, the individual's child, or another person in the individual's household is a victim of family violence as defined by Section 71.004, Family Code, by providing:

(A) a copy of a protective order issued under Chapter 85, Family Code, or a magistrate's order for emergency protection issued under Article 17.292, Code of Criminal Procedure; or

(B) other independent documentary evidence necessary to show that the individual, the individual's child, or another person in the individual's household is a victim of family violence;

(7) an individual who shows that the individual, the individual's child, or another person in the individual's household is a victim of sexual assault or abuse, stalking, or trafficking of persons by providing:

(A) a copy of a protective order issued under Subchapter A or B, Chapter 7B, Code of Criminal Procedure, or a magistrate's order for emergency protection issued under Article 17.292, Code of Criminal Procedure; or

(B) other independent documentary evidence necessary to show that the individual, the individual's child, or another person in the individual's household is a victim of sexual assault or abuse, stalking, or trafficking of persons;

(8) a participant in the address confidentiality program administered by the attorney general under Subchapter B, Chapter 58, Code of Criminal Procedure, who provides proof of certification under Article 58.059, Code of Criminal Procedure;

(9) a federal judge, a state judge, or the spouse of a federal judge or state judge;

(10) a current or former district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(11) a current or former employee of a district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(12) an officer or employee of a community supervision and corrections department established under Chapter 76, Government Code, who performs a duty described by Section 76.004(b) of that code;

(13) a criminal investigator of the United States as described by Article 2.122(a), Code of Criminal Procedure;

(14) a police officer or inspector of the United States Federal Protective Service;

(15) a current or former United States attorney, [or] assistant United States attorney, federal public defender, deputy federal public defender, or assistant federal public defender and the spouse and child of the attorney or public defender;

(16) a current or former employee of the office of the attorney general who is or was assigned to a division of that office the duties of which involve law enforcement;

(17) a medical examiner or person who performs forensic analysis or testing who is employed by this state or one or more political subdivisions of this state;

(18) a current or former member of the United States armed forces who has served in an area that the president of the United States by executive order designates for purposes of 26 U.S.C. Section 112 as an area in which armed forces of the United States are or have engaged in combat;

(19) a current or former employee of the Texas Juvenile Justice Department or of the predecessors in function of the department;

(20) a current or former juvenile probation or supervision officer certified by the Texas Juvenile Justice Department, or the predecessors in function of the department, under Title 12, Human Resources Code;

(21) a current or former employee of a juvenile justice program or facility, as those terms are defined by Section 261.405, Family Code;

(22) a current or former employee of the Texas Civil Commitment Office or the predecessor in function of the office or a division of the office; ~~and~~

(23) a current or former employee of a federal judge or state judge;

(24) a current or former child protective services caseworker, adult protective services caseworker, or investigator for the Department of Family and Protective Services or a current or former employee of a department contractor performing child protective services caseworker, adult protective services caseworker, or investigator functions for the contractor on behalf of the department; ~~and~~

(25) ~~(24)~~ a state officer elected statewide or a member of the legislature; ~~and~~

(26) ~~(24)~~ a firefighter or volunteer firefighter or emergency medical services personnel as defined by Section 773.003, Health and Safety Code.

The changes in law made by this Act to Section 25.025, Tax Code, apply only to a request for information that is received by a governmental body or an officer on or after the effective date of this Act. A request for information that was received before the effective date of this Act is governed by the law in effect on the date the request was received, and the former law is continued in effect for that purpose. To the extent of any conflict, this Act prevails over another Act of the 87th Legislature, Regular Session, 2021, relating to nonsubstantive additions to and corrections in enacted codes.

SB 56 by Zaffirini

Effective June 14, 2021

Sec. 25.025. Confidentiality of Certain Home Address Information

Section 25.025(a), Tax Code, as amended by Chapters 467 (H.B. 4170), 469 (H.B. 4173), 633 (S.B. 1494), 1213 (S.B. 662), and 1245 (H.B. 2446), Acts of the 86th Legislature, Regular Session, 2019, is reenacted and amended to read as follows:

(a) This section applies only to:

(1) a current or former peace officer as defined by Article 2.12, Code of Criminal Procedure, and the spouse or surviving spouse of the peace officer;

(2) the adult child of a current peace officer as defined by Article 2.12, Code of Criminal Procedure;

(3) a current or honorably retired county jailer as defined by Section 1701.001, Occupations Code;

(4) an employee of the Texas Department of Criminal Justice;

(5) a commissioned security officer as defined by Section 1702.002, Occupations Code;

(6) an individual who shows that the individual, the individual's child, or another person in the individual's household is a victim of family violence as defined by Section 71.004, Family Code, by providing:

(A) a copy of a protective order issued under Chapter 85, Family Code, or a magistrate's order for emergency protection issued under Article 17.292, Code of Criminal Procedure; or

(B) other independent documentary evidence necessary to show that the individual, the individual's child, or another person in the individual's household is a victim of family violence;

(7) an individual who shows that the individual, the individual's child, or another person in the individual's household is a victim of sexual assault or abuse, stalking, or trafficking of persons by providing:

(A) a copy of a protective order issued under Subchapter A or B, Chapter 7B, Code of Criminal Procedure, or a magistrate's order for emergency protection issued under Article 17.292, Code of Criminal Procedure; or

(B) other independent documentary evidence necessary to show that the individual, the individual's child, or another person in the individual's household is a victim of sexual assault or abuse, stalking, or trafficking of persons;

(8) a participant in the address confidentiality program administered by the attorney general under Subchapter B, Chapter 58, Code of Criminal Procedure, who provides proof of certification under Article 58.059, Code of Criminal Procedure;

(9) a federal judge, a state judge, or the spouse of a federal judge or state judge;

(10) a current or former district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(11) a current or former employee of a district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(12) an officer or employee of a community supervision and corrections department established under Chapter 76, Government Code, who performs a duty described by Section 76.004(b) of that code;

(13) a criminal investigator of the United States as described by Article 2.122(a), Code of Criminal Procedure;

- (14) a current or honorably retired police officer or inspector of the United States Federal Protective Service;
- (15) a current or former United States attorney or assistant United States attorney and the spouse and child of the attorney;
- (16) a current or former employee of the office of the attorney general who is or was assigned to a division of that office the duties of which involve law enforcement;
- (17) a medical examiner or person who performs forensic analysis or testing who is employed by this state or one or more political subdivisions of this state;
- (18) a current or former member of the United States armed forces who has served in an area that the president of the United States by executive order designates for purposes of 26 U.S.C. Section 112 as an area in which armed forces of the United States are or have engaged in combat;
- (19) a current or former employee of the Texas Juvenile Justice Department or of the predecessors in function of the department;
- (20) a current or former juvenile probation or supervision officer certified by the Texas Juvenile Justice Department, or the predecessors in function of the department, under Title 12, Human Resources Code;
- (21) a current or former employee of a juvenile justice program or facility, as those terms are defined by Section 261.405, Family Code;
- (22) a current or former employee of the Texas Civil Commitment Office or the predecessor in function of the office or a division of the office; ~~and~~
- (23) a current or former employee of a federal judge or state judge;
- (24) a current or former child protective services caseworker, adult protective services caseworker, or investigator for the Department of Family and Protective Services or a current or former employee of a department contractor performing child protective services caseworker, adult protective services caseworker, or investigator functions for the contractor on behalf of the department; ~~and~~
- (25) ~~[(24)]~~ a state officer elected statewide or a member of the legislature; and
- (26) ~~[(24)]~~ a firefighter or volunteer firefighter or emergency medical services personnel as defined by Section 773.003, Health and Safety Code.

The changes in law made by this Act to Section 25.025, Tax Code, apply only to a request for information that is received by a governmental body or an officer on or after the effective date of this Act. A request for information that was received before the effective date of this Act is governed by the law in effect on the date the request was received, and the former law is continued in effect for that purpose. To the extent of any conflict, this Act prevails over another Act of the 87th Legislature, Regular Session, 2021, relating to nonsubstantive additions to and corrections in enacted codes.

SB 841 by Hughes

Effective June 14, 2021

Sec. 25.025. Confidentiality of Certain Home Address Information

Section 25.025(a), Tax Code, as reenacted and amended by Chapters 467 (H.B. 4170), 469 (H.B. 4173), 633 (S.B. 1494), 1213 (S.B. 662), and 1245 (H.B. 2446), Acts of the 86th Legislature, Regular Session, 2019, is reenacted and amended to read as follows:

(a) This section applies only to:

- (1) a current or former peace officer as defined by Article 2.12, Code of Criminal Procedure, and the spouse or surviving spouse of the peace officer;
- (2) the adult child of a current peace officer as defined by Article 2.12, Code of Criminal Procedure;
- (3) a county jailer as defined by Section 1701.001, Occupations Code;
- (4) an employee of the Texas Department of Criminal Justice;
- (5) a commissioned security officer as defined by Section 1702.002, Occupations Code;
- (6) an individual who shows that the individual, the individual's child, or another person in the individual's household is a victim of family violence as defined by Section 71.004, Family Code, by providing:
 - (A) a copy of a protective order issued under Chapter 85, Family Code, or a magistrate's order for emergency protection issued under Article 17.292, Code of Criminal Procedure; or
 - (B) other independent documentary evidence necessary to show that the individual, the individual's child, or another person in the individual's household is a victim of family violence;
- (7) an individual who shows that the individual, the individual's child, or another person in the individual's household is a victim of sexual assault or abuse, stalking, or trafficking of persons by providing:

(A) a copy of a protective order issued under Subchapter A or B, Chapter 7B, Code of Criminal Procedure, or a magistrate's order for emergency protection issued under Article 17.292, Code of Criminal Procedure; or

(B) other independent documentary evidence necessary to show that the individual, the individual's child, or another person in the individual's household is a victim of sexual assault or abuse, stalking, or trafficking of persons;

(8) a participant in the address confidentiality program administered by the attorney general under Subchapter B, Chapter 58, Code of Criminal Procedure, who provides proof of certification under Article 58.059, Code of Criminal Procedure;

(9) a federal judge, a federal bankruptcy judge, a marshal of the United States Marshals Service, a state judge, or a family member [the spouse] of a federal judge, a federal bankruptcy judge, a marshal of the United States Marshals Service, or a state judge;

(10) a current or former district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(11) a current or former employee of a district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(12) an officer or employee of a community supervision and corrections department established under Chapter 76, Government Code, who performs a duty described by Section 76.004(b) of that code;

(13) a criminal investigator of the United States as described by Article 2.122(a), Code of Criminal Procedure;

(14) a police officer or inspector of the United States Federal Protective Service;

(15) a current or former United States attorney or assistant United States attorney and the spouse and child of the attorney;

(16) a current or former employee of the office of the attorney general who is or was assigned to a division of that office the duties of which involve law enforcement;

(17) a medical examiner or person who performs forensic analysis or testing who is employed by this state or one or more political subdivisions of this state;

(18) a current or former member of the United States armed forces who has served in an area that the president of the United States by executive order designates for purposes of 26 U.S.C. Section 112 as an area in which armed forces of the United States are or have engaged in combat;

(19) a current or former employee of the Texas Juvenile Justice Department or of the predecessors in function of the department;

(20) a current or former juvenile probation or supervision officer certified by the Texas Juvenile Justice Department, or the predecessors in function of the department, under Title 12, Human Resources Code;

(21) a current or former employee of a juvenile justice program or facility, as those terms are defined by Section 261.405, Family Code;

(22) a current or former employee of the Texas Civil Commitment Office or the predecessor in function of the office or a division of the office; ~~and~~

(23) a current or former employee of a federal judge or state judge;

(24) a current or former child protective services caseworker, adult protective services caseworker, or investigator for the Department of Family and Protective Services or a current or former employee of a department contractor performing child protective services caseworker, adult protective services caseworker, or investigator functions for the contractor on behalf of the department; ~~and~~

(25) ~~[(24)]~~ a state officer elected statewide or a member of the legislature; ~~and~~

(26) [(24)] a firefighter or volunteer firefighter or emergency medical services personnel as defined by Section 773.003, Health and Safety Code.

SB 1134 by Hughes

Effective September 1, 2021

Sec. 25.025. Confidentiality of Certain Home Address Information

Section 25.025(a-1), Tax Code, is amended by adding Subdivision (1-a) to read as follows:

(1-a) "Honorably retired" means, with respect to a position, an individual who:

(A) previously served but is not currently serving in the position;

(B) did not retire in lieu of any disciplinary action;

(C) was eligible to retire from the position or was ineligible to retire only as a result of an injury received in the course of the individual's employment in the position; and

(D) is eligible to receive a pension or annuity for service in the position or is ineligible to receive a pension or annuity only because the entity that employed the individual does not offer a pension or annuity to its employees. The changes in law made by this Act to Section 25.025, Tax Code, apply only to a request for information that is received by a governmental body or an officer on or after the effective date of this Act. A request for information that was received before the effective date of this Act is governed by the law in effect on the date the request was received, and the former law is continued in effect for that purpose. To the extent of any conflict, this Act prevails over another Act of the 87th Legislature, Regular Session, 2021, relating to nonsubstantive additions to and corrections in enacted codes.

SB 841 by Hughes

Effective June 14, 2021

Sec. 25.025. Confidentiality of Certain Home Address Information

Section 25.025(a-1), Tax Code, is amended to read as follows:

(a-1) In this section:

(1) "Family member" has the meaning assigned by Section 31.006, Finance Code.

(2) "Federal judge" means:

(A) a judge, former judge, or retired judge of a United States court of appeals;

(B) a judge, former judge, or retired judge of a United States district court;

(C) a judge, former judge, or retired judge of a United States bankruptcy court; or

(D) a magistrate judge, former magistrate judge, or retired magistrate judge of a United States district court.

(3) [(2)] "State judge" means:

(A) a judge, former judge, or retired judge of an appellate court, a district court, a statutory probate court, a constitutional county court, or a county court at law of this state;

(B) an associate judge appointed under Chapter 201, Family Code, or Chapter 54A, Government Code, or a retired associate judge or former associate judge appointed under either law;

(C) a justice of the peace;

(D) a master, magistrate, referee, hearing officer, or associate judge appointed under Chapter 54, Government Code; or

(E) a municipal court judge.

SB 1134 by Hughes

Effective September 1, 2021

Sec. 25.07. Leasehold and Other Possessory Interests in Exempt Property

(d) For purposes of Subsection (b)(6)(B) of this section, property is used as an aid or facility incidental to or useful in the operation or development of a port or waterway or in aid of navigation-related commerce if the property:

(1) is leased to a person:

(A) engaged in the business of navigation-related commerce; or

(B) for a purpose described by Section 60.101, 61.162, or 63.153, Water Code, or for the placement on the property of an improvement described by those sections;

(2) is located:

(A) adjacent to a federal navigation project; or

(B) in a foreign trade zone established and operated under federal law; or

(3) includes part of a rail facility that serves the tenants and users of the port or waterway.

(e) In this section, "navigation-related commerce" includes the following if engaged in by a person:

(1) an activity that requires the person to hold a maritime-related license or permit issued by a navigation district, including providing stevedoring, steamship agency, towing, tugboat, or line handling services;

(2) an activity that requires the person to hold a franchise issued by a navigation district;

(3) possessing a leasehold interest in property owned by a navigation district that connects infrastructure to a public dock;

(4) hauling cargo into or across a public dock;

(5) commercial fishing;

(6) constructing, fabricating, cleaning, repairing, dismantling, or recycling vessels;

(7) pilotage; or

(8) an activity described by Section 60.101, 61.162, or 63.153, Water Code.

This Act applies only to the taxation of property for a tax year beginning on or after the effective date of this Act.

SB 1315 by Lucio

Effective September 1, 2021

Sec. 25.19. Notice of Appraised Value

Section 25.19(b), Tax Code, as effective January 1, 2022, is amended to read as follows:

(b) The chief appraiser shall separate real from personal property and include in the notice for each:

- (1) a list of the taxing units in which the property is taxable;
- (2) the appraised value of the property in the preceding year;
- (3) the taxable value of the property in the preceding year for each taxing unit taxing the property;
- (4) the appraised value of the property for the current year, the kind and amount of each exemption and partial exemption, if any, approved for the property for the current year and for the preceding year, and, if an exemption or partial exemption that was approved for the preceding year was canceled or reduced for the current year, the amount of the exemption or partial exemption canceled or reduced;

(5) in italic typeface, the following statement: "The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials, and all inquiries concerning your taxes should be directed to those officials";

(6) a detailed explanation of the time and procedure for protesting the value;

(7) the date and place the appraisal review board will begin hearing protests; ~~and~~

(8) an explanation of the availability and purpose of an informal conference with the appraisal office before a hearing on a protest; and

(9) a brief explanation that the governing body of each taxing unit decides whether or not taxes on the property will increase and the appraisal district only determines the value of the property.

(m) The chief appraiser may not deliver a corrected or amended notice of appraised value later than June 1 for property for which a person files a rendition statement or property report as required by Chapter 22 unless the purpose of the notice is to:

(1) include omitted property; or

(2) correct a clerical error.

(n) As soon as practicable after delivering a notice required by this section to a property owner, the chief appraiser shall post the notice on the appraisal district's Internet website, if the appraisal district maintains a website, as part of the appraisal record pertaining to the property.

Section 25.19, Tax Code, as amended by this Act, applies only to a notice of appraised value for a tax year beginning on or after January 1, 2022.

HB 988 by Shine

Effective January 1, 2022

Sec. 25.19. Notice of Appraised Value

(m) A notice required by Subsection (a) or (g) must include the following statement: "Beginning August 7th, visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information regarding the amount of taxes that each entity that taxes your property will impose if the entity adopts its proposed tax rate. Your local property tax database will be updated regularly during August and September as local elected officials propose and adopt the property tax rates that will determine how much you pay in property taxes."

The changes in law made by this Act apply only to a notice required to be delivered for an ad valorem tax year that begins on or after January 1, 2022.

HB 2723 by Meyer

Effective June 3, 2021

Sec. 25.193. Notice of Certain Canceled or Reduced Exemptions

(b) If a property owner has elected to receive notices by e-mail as provided by Section 1.086, ~~[for property described by that section,]~~ the notice required by this section must be sent in that manner regardless of whether the information was also included in a notice under Section 25.19 and must be sent separately from any other notice sent to the property owner by the chief appraiser.

SB 63 by Nelson

Effective September 1, 2021

Sec. 25.21. Omitted Property

(a) If the chief appraiser discovers that real property was omitted from an appraisal roll in any one of the three ~~[five]~~ preceding tax years or that personal property was omitted from an appraisal roll in one of the two preceding tax years, the chief appraiser ~~[he]~~ shall appraise the property as of January 1 of each tax year that it was omitted and enter the property and its appraised value in the appraisal records.

HB 1090 by Bailes

Effective September 1, 2021

Sec. 25.25. Correction of Appraisal Roll

(c-1) The appraisal review board, on motion of the chief appraiser or of a property owner, may direct by written order changes in the appraisal roll or related appraisal records for the current tax year and for either of the two preceding tax years to correct an inaccuracy in the appraised value of the owner's tangible personal property that is the result of an error or omission in a rendition statement or property report filed under Chapter 22 for the applicable tax year. The roll may not be changed under this subsection for any tax year in which:

(1) the property owner failed to timely file the rendition statement or property report in accordance with Section 22.23 and was assessed a penalty under Section 22.28;

(2) the property was the subject of a protest brought by the property owner under Chapter 41, a hearing on the protest was conducted in which the owner offered evidence or argument, and the appraisal review board made a determination of the protest on the merits;

(3) the property was the subject of a previous motion filed by the property owner under this section and the chief appraiser and the owner agreed to the correction, the appraisal review board determined the motion, or the appraisal review board determined that the owner forfeited the right to a final determination of the motion for failing to comply with the prepayment requirements of Section 25.26; or

(4) the appraised value of the property was established as a result of a written agreement between the property owner or the owner's agent and the appraisal district.

The changes in law made by this Act apply only to a motion to correct an appraisal roll filed on or after the effective date of this Act. A motion to correct an appraisal roll filed before the effective date of this Act is governed by the law in effect on the date the motion was filed, and the former law is continued in effect for that purpose.

SB 1421 by Bettencourt

Effective September 1, 2021

Sec. 25.25. Correction of Appraisal Roll

(e) If the chief appraiser and the property owner do not agree to the correction before the 15th day after the date the motion is filed, a party bringing a motion under Subsection (c), (c-1), or (d) is entitled on request to a hearing on and a determination of the motion by the appraisal review board. A party bringing a motion under this section must describe the error or errors that the motion is seeking to correct. Not later than 15 days before the date of the hearing, the board shall deliver written notice of the date, time, and place of the hearing to the chief appraiser, the property owner, and the presiding officer of the governing body of each taxing unit in which the property is located. The chief appraiser, the property owner, and each taxing unit are entitled to present evidence and argument at the hearing and to receive written notice of the board's determination of the motion. The property owner is entitled to elect to present the owner's evidence and argument before, after, or between the cases presented by the chief appraiser and each taxing unit. A property owner who files the motion must comply with the payment requirements of Section 25.26 or forfeit the right to a final determination of the motion.

The changes in law made by this Act apply only to a motion to correct an appraisal roll filed on or after the effective date of this Act. A motion to correct an appraisal roll filed before the effective date of this Act is governed by the law in effect on the date the motion was filed, and the former law is continued in effect for that purpose.

SB 1421 by Bettencourt

Effective September 1, 2021

Sec. 25.25. Correction of Appraisal Roll

(e) If the chief appraiser and the property owner do not agree to the correction before the 15th day after the date the motion is filed, a party bringing a motion under Subsection (c), or (d) is entitled on request to a hearing on and a determination of the motion by the appraisal review board. A party bringing a motion under this section must describe the error or errors that the motion is seeking to correct. If a request for hearing is made on or after January 1 but before September 1, the appraisal review board shall schedule the hearing to be held as soon as practicable but not later than the 90th day after the date the board approves the appraisal records as provided by Section 41.12. If a request for hearing is made on or after September 1 but before January 1 of the following tax year, the appraisal review board shall schedule the hearing to be held as soon as practicable but not later than the 90th day after the date the request for the hearing is made. Not later than 15 days before the date of the hearing, the board shall deliver written notice of the date, time, and place of the hearing to the chief appraiser, the property owner, and the presiding officer of the governing body of each taxing unit in which the property is located. The chief appraiser, the property owner, and each taxing unit are entitled to present evidence and argument at the hearing and to receive written notice of the board's determination of the motion. The property owner is entitled to elect to present the owner's evidence and argument before, after, or between the cases presented by the chief appraiser and each taxing unit. A property owner who files

the motion must comply with the payment requirements of Section 25.26 or forfeit the right to a final determination of the motion.

Section 25.25(e), Tax Code, as amended by this Act, applies only to a motion to correct an appraisal roll filed on or after the effective date of this Act.

SB 63 by Nelson

Effective September 1, 2021

NOTE: SB 63 and SB 1421 amend Sec. 25.25(e). Below is a combination of both bills.

(e) If the chief appraiser and the property owner do not agree to the correction before the 15th day after the date the motion is filed, a party bringing a motion under Subsection (c), (c-1), or (d) is entitled on request to a hearing on and a determination of the motion by the appraisal review board. A party bringing a motion under this section must describe the error or errors that the motion is seeking to correct. If a request for hearing is made on or after January 1 but before September 1, the appraisal review board shall schedule the hearing to be held as soon as practicable but not later than the 90th day after the date the board approves the appraisal records as provided by Section 41.12. If a request for hearing is made on or after September 1 but before January 1 of the following tax year, the appraisal review board shall schedule the hearing to be held as soon as practicable but not later than the 90th day after the date the request for the hearing is made. Not later than 15 days before the date of the hearing, the board shall deliver written notice of the date, time, and place of the hearing to the chief appraiser, the property owner, and the presiding officer of the governing body of each taxing unit in which the property is located. The chief appraiser, the property owner, and each taxing unit are entitled to present evidence and argument at the hearing and to receive written notice of the board's determination of the motion. The property owner is entitled to elect to present the owner's evidence and argument before, after, or between the cases presented by the chief appraiser and each taxing unit. A property owner who files the motion must comply with the payment requirements of Section 25.26 or forfeit the right to a final determination of the motion.

Sec. 25.25. Correction of Appraisal Roll

(m) The hearing on a motion under Subsection (c), (c-1), or (d) shall be conducted in the manner provided by Subchapter C, Chapter 41.

The changes in law made by this Act apply only to a motion to correct an appraisal roll filed on or after the effective date of this Act. A motion to correct an appraisal roll filed before the effective date of this Act is governed by the law in effect on the date the motion was filed, and the former law is continued in effect for that purpose.

SB 1421 by Bettencourt

Effective September 1, 2021

Chapter 26 - Assessment

Sec. 26.012. Definitions

(7) "Debt" means:

- (A) a bond, warrant, certificate of obligation, or other evidence of indebtedness owed by a taxing unit that:
 - (i) is payable ~~[solely]~~ from property taxes in installments over a period of more than one year, not budgeted for payment from maintenance and operations funds, and secured by a pledge of property taxes; and
 - (ii) meets one of the following requirements:
 - (a) has been approved at an election;
 - (b) includes self-supporting debt;
 - (c) evidences a loan under a state or federal financial assistance program;
 - (d) is issued for designated infrastructure;
 - (e) is a refunding bond;
 - (f) is issued in response to an emergency under Section 1431.015, Government Code;
 - (g) is issued for renovating, improving, or equipping existing buildings or facilities;
 - (h) is issued for vehicles or equipment; or
 - (i) is issued for a project under Chapter 311, Tax Code, or Chapter 222, Transportation Code, that is located in a reinvestment zone created under one of those chapters;[;] or
- (B) a payment made under contract to secure indebtedness of a similar nature issued by another political subdivision on behalf of the taxing unit.

(9) "Designated infrastructure" means infrastructure, including a facility, equipment, rights-of-way, or land, for the following purposes:

(A) streets, roads, highways, bridges, sidewalks, parks, landfills, parking structures, or airports;

(B) telecommunications, wireless communications, information technology systems, applications, hardware, or software;

(C) cybersecurity;

(D) as part of any utility system, water supply project, water plant, wastewater plant, water and wastewater distribution or conveyance facility, wharf, dock, or flood control and drainage project;

(E) police stations, fire stations, or other public safety facilities, jails, juvenile detention facilities, or judicial facilities, and any facilities that are physically attached to the facilities described by this paragraph;

(F) as part of any school district; or

(G) as part of any hospital district created by general or special law that includes a teaching hospital.

(18-a) "Refunding bond" means a bond or other obligation issued for refunding or refinancing purposes under Chapter 1207 or 1371, Government Code.

(18-b) "Self-supporting debt" means the portion of a bond, warrant, certificate of obligation, or other evidence of indebtedness described by Subdivision (7)(A)(i) designated by the governing body of a political subdivision as being repaid from a source other than property taxes.

The changes in law made by this Act apply only to a bond, warrant, certificate of obligation, or other evidence of indebtedness for which the ordinance, order, or resolution authorizing the issuance is adopted by the governing body of a taxing unit on or after the effective date of this Act and for which the taxing unit has not entered into a binding agreement before the effective date of this Act that contemplates the issuance of the debt. The changes in law made by this Act do not apply to a bond, warrant, certificate of obligation, or other evidence of indebtedness for which the ordinance, order, or resolution authorizing the issuance was adopted by the governing body of a taxing unit before the effective date of this Act or for which the taxing unit has entered into a binding agreement before the effective date of this Act that contemplates the issuance of such debt, and the former law is continued in effect for that purpose. For the purposes of this section, "binding agreement" includes a development agreement, ordinance, order, or resolution that authorizes or delegates to an appropriate officer of a taxing unit the execution of a binding agreement at a later date.

HB 1869 by Burrows

Effective September 1, 2021

Sec. 26.04. Submission of Roll to Governing Body; No-New-Revenue and Voter-Approval Tax Rates

REPEALED: [(e-1) Notwithstanding any other provision of this section, the governing body of a taxing unit other than a special taxing unit may direct the designated officer or employee to calculate the voter approval tax rate of the taxing unit in the manner provided for a special taxing unit if any part of the taxing unit is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States. The designated officer or employee shall continue calculating the voter approval tax rate in the manner provided by this subsection until the earlier of:

(1) the second tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred; or

(2) the third tax year after the tax year in which the disaster occurred.]

SB 1438 by Bettencourt

Effective June 16, 2021

Sec. 26.04. Submission of Roll to Governing Body; No-New-Revenue and Voter-Approval Tax Rates

(e-2) By August 7 or as soon thereafter as practicable, the chief appraiser of each appraisal district shall deliver by regular mail or e-mail to each owner of property located in the appraisal district a notice that the estimated amount of taxes to be imposed on the owner's property by each taxing unit in which the property is located may be found in the property tax database maintained by the appraisal district under Section 26.17. The notice must include:

(1) the following [a] statement: "Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information regarding the amount of taxes that each entity that taxes your property will impose if the entity adopts its proposed tax rate. Your local property tax database will be updated regularly during August and September as local elected officials propose and adopt the property tax rates that will determine how much you pay in property taxes." [directing the property owner to an Internet website from which the owner may access information related to the actions taken or proposed

to be taken by each taxing unit in which the property is located that may affect the taxes imposed on the owner's property];

(2) a statement that the property owner may request from the county assessor-collector for the county in which the property is located or, if the county assessor-collector does not assess taxes for the county, the person who assesses taxes for the county under Section 6.24(b), contact information for the assessor for each taxing unit in which the property is located, who must provide the information described by this subsection to the owner on request; and

(3) the name, address, and telephone number of the county assessor-collector for the county in which the property is located or, if the county assessor-collector does not assess taxes for the county, the person who assesses taxes for the county under Section 6.24(b).

The changes in law made by this Act apply only to a notice required to be delivered for an ad valorem tax year that begins on or after January 1, 2022.

HB 2723 by Meyer

Effective June 3, 2021

Sec. 26.041. Tax Rate of Unit Imposing Additional Sales and Use Tax

~~REPEALED: [(c-1) Notwithstanding any other provision of this section, the governing body of a taxing unit other than a special taxing unit may direct the designated officer or employee to calculate the voter approval tax rate of the taxing unit in the manner provided for a special taxing unit if any part of the taxing unit is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States. The designated officer or employee shall continue calculating the voter approval tax rate in the manner provided by this subsection until the earlier of:~~

~~(1) the second tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred; or~~

~~(2) the third tax year after the tax year in which the disaster occurred.]~~

SB 1438 by Bettencourt

Effective June 16, 2021

Sec. 26.042. Calculation and Adoption of Certain Tax Rates in Disaster Area

(a) Notwithstanding Sections 26.04 and 26.041, the governing body of a taxing unit other than a school district or a special taxing unit may direct the designated officer or employee to calculate the voter approval tax rate of the taxing unit in the manner provided for a special taxing unit if any part of the taxing unit is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States and at least one person is granted an exemption under Section 11.35 for property located in the taxing unit. The designated officer or employee shall continue calculating the voter approval tax rate in the manner provided by this subsection until the earlier of:

(1) the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred; or

(2) the third tax year after the tax year in which the disaster occurred.

(b) In the first tax year following the last tax year for which the designated officer or employee calculates a taxing unit's voter approval tax rate in the manner provided by Subsection (a), the taxing unit's voter approval tax rate is reduced by the taxing unit's emergency revenue rate. For purposes of this subsection, a taxing unit's emergency revenue rate means a rate expressed in dollars per \$100 of taxable value calculated according to the following formula:

EMERGENCY REVENUE RATE = [(LAST YEAR'S ADOPTED TAX RATE - ADJUSTED VOTER-APPROVAL TAX RATE) x LAST YEAR'S TOTAL VALUE] / (CURRENT TOTAL VALUE - NEW PROPERTY VALUE)

(c) For purposes of Subsection (b), "adjusted voter approval tax rate" means the voter approval tax rate a taxing unit would have calculated in the last year for which Subsection (a) applied to the taxing unit if in each tax year Subsection (a) applied to the taxing unit the taxing unit adopted a tax rate equal to the greater of:

(1) the tax rate actually adopted by the taxing unit for that tax year, if that tax rate was approved by the voters at an election held under Section 26.07; or

(2) the taxing unit's voter approval tax rate for that tax year, calculated in the manner provided for a taxing unit other than a special taxing unit.

(d) When increased expenditure of money by a taxing unit other than a school district is necessary to respond to a disaster, including a tornado, hurricane, flood, wildfire, or other calamity, but not including a drought, epidemic, or

pandemic, that has impacted the taxing unit and the governor has declared any part of the area in which the taxing unit is located as a disaster area, an election is not required under Section 26.07 to approve the tax rate adopted by the governing body for the year following the year in which the disaster occurs.

(e) When increased expenditure of money by a school district is necessary to respond to a disaster, including a tornado, hurricane, flood, wildfire, or other calamity, but not including a drought, epidemic, or pandemic, that has impacted the school district and the governor has requested federal disaster assistance for the area in which the school district is located, an election is not required under Section 26.08 to approve the tax rate adopted by the governing body of the school district for the year following the year in which the disaster occurs. A tax rate adopted under this subsection applies only in the year for which the rate is adopted.

(f) If a taxing unit adopts a tax rate under Subsection (d) or (e), the amount by which that rate exceeds the taxing unit's voter-approval tax rate for that tax year may not be considered when calculating the taxing unit's voter-approval tax rate for the tax year following the year in which the taxing unit adopts the rate.

(g) A taxing unit that in a tax year elects to calculate the taxing unit's voter-approval tax rate under Subsection (a) or adopt a tax rate that exceeds the taxing unit's voter-approval tax rate for that tax year without holding an election under Subsection (d) or (e) must specify the disaster declaration that provides the basis for authorizing the taxing unit to calculate or adopt a tax rate under the applicable subsection. A taxing unit that in a tax year specifies a disaster declaration as providing the basis for authorizing the taxing unit to calculate or adopt a tax rate under Subsection (a), (d), or (e) may not in a subsequent tax year specify the same disaster declaration as providing the basis for authorizing the taxing unit to calculate or adopt a tax rate under one of those subsections if in an intervening tax year the taxing unit specifies a different disaster declaration as the basis for authorizing the taxing unit to calculate or adopt a tax rate under one of those subsections.

SB 1438 by Bettencourt

Effective June 16, 2021

Sec. 26.0442. Tax Rate Adjustment for County Indigent Defense Compensation Expenditures

(a) In this section, "indigent defense compensation expenditures" for a tax year means the difference between:

(1) the amount paid by a county in the period beginning on July 1 of the tax year preceding the tax year for which the tax is adopted and ending on June 30 of the tax year for which the tax is adopted to:

(A) provide appointed counsel for indigent individuals in criminal or civil proceedings in accordance with the schedule of fees adopted under Article 26.05, Code of Criminal Procedure; and

(B) fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure; and

(2) [~~in the period beginning on July 1 of the tax year preceding the tax year for which the tax is adopted and ending on June 30 of the tax year for which the tax is adopted, less~~] the amount of any state grants received by the county during that period for those purposes [~~the same purpose~~].

Section 26.0442, Tax Code, as amended by this Act, applies to the calculation of the no-new-revenue maintenance and operations rate for a county only for a tax year beginning on or after January 1, 2022.

HB 295 by Murr

Effective September 1, 2021

Sec. 26.0444. Tax Rate Adjustment for Defunding Municipality

(a) In this section:

(1) "Defunding municipality" means a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code.

(2) "Municipal public safety expenditure adjustment" means an amount equal to the positive difference, if any, between:

(A) the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year; and

(B) the amount of money spent by the municipality for public safety during the period for which the budget described by Paragraph (A) is in effect.

(b) The no-new-revenue maintenance and operations rate for a defunding municipality is decreased by the rate computed according to the following formula:

Municipal Public Safety Expenditure Adjustment / (Current Total Value - New Property Value)

(c) A defunding municipality shall provide a notice of the decrease in the no-new-revenue maintenance and operations rate provided by this section in the information published under Section 26.04(e) and, as applicable, in the notice prescribed by Section 26.06 or 26.061.

(d) For purposes of Subsection (a)(2), the amount of money appropriated for public safety and the amount of money spent by the municipality for public safety does not include:

(1) any grant money received by the municipality during any fiscal year; or

(2) any sales and use tax revenue received by the municipality for the purpose of financing a crime control and prevention district under Chapter 363, Local Government Code, during any fiscal year.

Section 26.0444, Tax Code, as added by this Act, applies beginning with the 2021 tax year, except that Section 26.0444(c), Tax Code, as added by this Act, does not apply for the 2021 tax year.

HB 1900 by Goldman

Effective September 1, 2021

Sec. 26.0501. Limitation on Tax Rate of Defunding Municipality

(a) In this section, "defunding municipality" means a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code.

(b) Notwithstanding any other provision of this chapter or other law, the governing body of a defunding municipality may not adopt a tax rate for the current tax year that exceeds the lesser of the defunding municipality's no-new-revenue tax rate or voter-approval tax rate for that tax year.

(b-1) Notwithstanding Subsection (b), if a municipality is determined to be a defunding municipality according to the budget adopted by the municipality for the first fiscal year beginning on or after September 1, 2021, the governing body of the defunding municipality may not adopt a tax rate for the current year that exceeds the least of the defunding municipality's no-new-revenue tax rate or voter-approval tax rate for that tax year, the preceding tax year, or the second preceding tax year. This subsection expires September 1, 2023.

(c) For purposes of making the calculation required under Section 26.013, in a tax year in which a municipality is a defunding municipality, the difference between the municipality's actual tax rate and voter-approval tax rate is considered to be zero.

Section 26.0501, Tax Code, as added by this Act, applies beginning with the 2021 tax year.

HB 1900 by Goldman

Effective September 1, 2021

Sec. 26.052. Simplified Tax Rate Notice for Taxing Units with Low Tax Levies

(e-1) Public notice provided under Subsection (c) must include the following statement: "Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property."

The changes in law made by this Act apply only to a notice required to be delivered for an ad valorem tax year that begins on or after January 1, 2022.

HB 2723 by Meyer

Effective June 3, 2021

Sec. 26.06. Notice, Hearing, and Vote on Tax Increase

(b-1) If the proposed tax rate exceeds the no-new-revenue tax rate and the voter-approval tax rate of the taxing unit, the notice must contain a statement in the following form:

"NOTICE OF PUBLIC HEARING ON TAX INCREASE

"PROPOSED TAX RATE \$_____ per \$100

"NO-NEW-REVENUE TAX RATE \$_____ per \$100

"VOTER-APPROVAL TAX RATE \$_____ per \$100

"The no-new-revenue tax rate is the tax rate for the (current tax year) tax year that will raise the same amount of property tax revenue for (name of taxing unit) from the same properties in both the (preceding tax year) tax year and the (current tax year) tax year.

"The voter-approval tax rate is the highest tax rate that (name of taxing unit) may adopt without holding an election to seek voter approval of the rate.

"The proposed tax rate is greater than the no-new-revenue tax rate. This means that (name of taxing unit) is proposing to increase property taxes for the (current tax year) tax year.

"A public hearing on the proposed tax rate will be held on (date and time) at (meeting place).

"The proposed tax rate is also greater than the voter-approval tax rate. If (name of taxing unit) adopts the proposed tax rate, (name of taxing unit) is required to hold an election so that the voters may accept or reject the proposed tax rate. If a majority of the voters reject the proposed tax rate, the tax rate of the (name of taxing unit) will be the voter-approval tax rate. The election will be held on (date of election). You may contact the (name of office

responsible for administering the election) for information about voting locations. The hours of voting on election day are (voting hours).

"Your taxes owed under any of the tax rates mentioned above can be calculated as follows:

"Property tax amount = tax rate x taxable value of your property / 100

"(Names of all members of the governing body, showing how each voted on the proposal to consider the tax increase or, if one or more were absent, indicating the absences.)

"Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

"The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state."

(b-2) If the proposed tax rate exceeds the no-new-revenue tax rate but does not exceed the voter-approval tax rate of the taxing unit, the notice must contain a statement in the following form:

"NOTICE OF PUBLIC HEARING ON TAX INCREASE

"PROPOSED TAX RATE \$_____ per \$100

"NO-NEW-REVENUE TAX RATE \$_____ per \$100

"VOTER-APPROVAL TAX RATE \$_____ per \$100

"The no-new-revenue tax rate is the tax rate for the (current tax year) tax year that will raise the same amount of property tax revenue for (name of taxing unit) from the same properties in both the (preceding tax year) tax year and the (current tax year) tax year.

"The voter-approval tax rate is the highest tax rate that (name of taxing unit) may adopt without holding an election to seek voter approval of the rate.

"The proposed tax rate is greater than the no-new-revenue tax rate. This means that (name of taxing unit) is proposing to increase property taxes for the (current tax year) tax year.

"A public hearing on the proposed tax rate will be held on (date and time) at (meeting place).

"The proposed tax rate is not greater than the voter-approval tax rate. As a result, (name of taxing unit) is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the (name of governing body) of (name of taxing unit) at their offices or by attending the public hearing mentioned above.

"Your taxes owed under any of the tax rates mentioned above can be calculated as follows:

"Property tax amount = tax rate x taxable value of your property / 100

"(Names of all members of the governing body, showing how each voted on the proposal to consider the tax increase or, if one or more were absent, indicating the absences.)

"Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

"The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state."

(b-3) If the proposed tax rate does not exceed the no-new-revenue tax rate but exceeds the voter-approval tax rate of the taxing unit, the notice must contain a statement in the following form:

"NOTICE OF PUBLIC HEARING ON TAX RATE

"PROPOSED TAX RATE \$_____ per \$100

"NO-NEW-REVENUE TAX RATE \$_____ per \$100

"VOTER-APPROVAL TAX RATE \$_____ per \$100

"The no-new-revenue tax rate is the tax rate for the (current tax year) tax year that will raise the same amount of property tax revenue for (name of taxing unit) from the same properties in both the (preceding tax year) tax year and the (current tax year) tax year.

"The voter-approval tax rate is the highest tax rate that (name of taxing unit) may adopt without holding an election to seek voter approval of the rate.

"The proposed tax rate is not greater than the no-new-revenue tax rate. This means that (name of taxing unit) is not proposing to increase property taxes for the (current tax year) tax year.

"A public hearing on the proposed tax rate will be held on (date and time) at (meeting place).

"The proposed tax rate is greater than the voter-approval tax rate. If (name of taxing unit) adopts the proposed tax rate, (name of taxing unit) is required to hold an election so that the voters may accept or reject the proposed tax rate. If a majority of the voters reject the proposed tax rate, the tax rate of the (name of taxing unit) will be the voter-

approval tax rate. The election will be held on (date of election). You may contact the (name of office responsible for administering the election) for information about voting locations. The hours of voting on election day are (voting hours).

"Your taxes owed under any of the tax rates mentioned above can be calculated as follows:

"Property tax amount = tax rate x taxable value of your property / 100

"(Names of all members of the governing body, showing how each voted on the proposal to consider the tax rate or, if one or more were absent, indicating the absences.)

"Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

"The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state."

The changes in law made by this Act apply only to a notice required to be delivered for an ad valorem tax year that begins on or after January 1, 2022.

HB 2723 by Meyer

Effective June 3, 2021

Sec. 26.061. Notice of Meeting to Vote on Proposed Tax Rate That Does Not Exceed Lower of No-New-Revenue or Voter-Approval Tax Rate

(b) The notice of the meeting at which the governing body of the taxing unit will vote on the proposed tax rate must contain a statement in the following form:

"NOTICE OF MEETING TO VOTE ON TAX RATE

"PROPOSED TAX RATE \$_____ per \$100

"NO-NEW-REVENUE TAX RATE \$_____ per \$100

"VOTER-APPROVAL TAX RATE \$_____ per \$100

"The no-new-revenue tax rate is the tax rate for the (current tax year) tax year that will raise the same amount of property tax revenue for (name of taxing unit) from the same properties in both the (preceding tax year) tax year and the (current tax year) tax year.

"The voter-approval tax rate is the highest tax rate that (name of taxing unit) may adopt without holding an election to seek voter approval of the rate.

"The proposed tax rate is not greater than the no-new-revenue tax rate. This means that (name of taxing unit) is not proposing to increase property taxes for the (current tax year) tax year.

"A public meeting to vote on the proposed tax rate will be held on (date and time) at (meeting place).

"The proposed tax rate is also not greater than the voter-approval tax rate. As a result, (name of taxing unit) is not required to hold an election to seek voter approval of the rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the (name of governing body) of (name of taxing unit) at their offices or by attending the public meeting mentioned above.

"Your taxes owed under any of the above rates can be calculated as follows:

"Property tax amount = tax rate x taxable value of your property / 100

"(Names of all members of the governing body, showing how each voted on the proposed tax rate or, if one or more were absent, indicating the absences.)

"Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

"The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state."

The changes in law made by this Act apply only to a notice required to be delivered for an ad valorem tax year that begins on or after January 1, 2022.

HB 2723 by Meyer

Effective June 3, 2021

Sec. 26.063. Alternate Provisions for Tax Rate Notice When De Minimis Rate Exceeds Voter-Approval Tax Rate

(d) This subsection applies only to a taxing unit that is not required to hold an election under Section 26.07 and for which the qualified voters of the taxing unit may not petition to hold an election under Section 26.075. In the notice required to be provided by the taxing unit under Section 26.06(b-1) or (b-3), as applicable, the taxing unit shall:

(1) add the following to the end of the list of rates included in the notice:

"DE MINIMIS RATE \$ _____ per \$100";

(2) substitute the following for the definition of "voter-approval tax rate": "The voter-approval tax rate is the highest tax rate that (name of taxing unit) may adopt without holding an election to seek voter approval of the rate, unless the de minimis rate for (name of taxing unit) exceeds the voter-approval tax rate for (name of taxing unit).";

(3) add the following definition of "de minimis rate": "The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate for (name of taxing unit), the rate that will raise \$500,000, and the current debt rate for (name of taxing unit)."; and

(4) substitute the following for the provision that provides notice that an election is required: "The proposed tax rate is greater than the voter-approval tax rate but not greater than the de minimis rate and does not exceed the rate that allows voters to petition for an election under Section 26.075, Tax Code. If (name of taxing unit) adopts the proposed tax rate, (name of taxing unit) is not required to hold an election so that the voters may accept or reject the proposed tax rate and the qualified voters of the (name of taxing unit) may not petition the (name of taxing unit) to require an election to be held to determine whether to reduce the proposed tax rate."

The change in law made by this Act applies only to a tax rate notice that is provided by a taxing unit on or after the effective date of this Act. A tax rate notice that is provided by a taxing unit before the effective date of this Act is governed by the law in effect on the date the notice is provided, and the former law is continued in effect for that purpose.

HB 2429 by Meyer

Effective May 15, 2021

Sec. 26.07. Automatic Election to Approve Tax Rate of Taxing Unit Other than School District

(b) If the governing body of a special taxing unit or a municipality with a population of 30,000 or more adopts a tax rate that exceeds the taxing unit's voter-approval tax rate, or the governing body of a taxing unit other than a special taxing unit or a municipality with a population of less than 30,000 regardless of whether it is a special taxing unit adopts a tax rate that exceeds the greater of the taxing unit's voter-approval tax rate or de minimis rate, the registered voters of the taxing unit at an election held for that purpose must determine whether to approve the adopted tax rate. ~~[When increased expenditure of money by a taxing unit is necessary to respond to a disaster, including a tornado, hurricane, flood, wildfire, or other calamity, but not including a drought, that has impacted the taxing unit and the governor has declared any part of the area in which the taxing unit is located as a disaster area, an election is not required under this section to approve the tax rate adopted by the governing body for the year following the year in which the disaster occurs.]~~

SB 1438 by Bettencourt

Effective June 16, 2021

Sec. 26.08. Automatic Election to Approve Tax Rate of School District

~~REPEALED: [(a 1) When increased expenditure of money by a school district is necessary to respond to a disaster, including a tornado, hurricane, flood, wildfire, or other calamity, but not including a drought, that has impacted a school district and the governor has requested federal disaster assistance for the area in which the school district is located, an election is not required under this section to approve the tax rate adopted by the governing body for the year following the year in which the disaster occurs. A tax rate adopted under this subsection applies only in the year for which the rate is adopted. If a district adopts a tax rate under this subsection, the amount by which that rate exceeds the district's voter approval tax rate for that tax year may not be considered when calculating the district's voter approval tax rate for the tax year following the year in which the district adopts the rate.]~~

SB 1438 by Bettencourt

Effective June 16, 2021

Sec. 26.08. Automatic Election to Approve Tax Rate of School District

~~REPEALED: [(n 1) For the 2020 tax year, a school district shall substitute "\$0.04" for "\$0.05" in Subsection (n)(2)(B)(ii) if the governing body of the district does not adopt by unanimous vote for that tax year a maintenance and operations tax rate at least equal to the sum of the rate described by Subsection (n)(2)(A) and the rate of \$0.05 per \$100 of taxable value.]~~

HB 3607 by Leach

Effective September 1, 2021

Sec. 26.10. Prorating Taxes--Loss of Exemption

(a) If the appraisal roll shows that a property is eligible for taxation for only part of a year because an exemption, other than a residence homestead exemption or an exemption described by Subsection (d), applicable on January 1 of that year terminated during the year, the tax due against the property is calculated by multiplying the tax due for the entire year as determined as provided by Section 26.09 ~~[of this code]~~ by a fraction, the denominator of which is 365 and the numerator of which is the number of days the exemption is not applicable.

(d) Subsection (a) does not apply to an exemption for land received by an organization under Section 11.181, 11.182, or 11.1825 that terminated during the year because of the sale by the organization of a housing unit located on the land if:

(1) the housing unit is sold to a family meeting the income-eligibility standards established by Section 373B.006, Local Government Code;

(2) the organization retains title to the land on which the housing unit is located; and

(3) before the date on which the housing unit is sold, the organization is designated a community land trust by the governing body of a municipality or county as provided by Section 373B.002, Local Government Code.

This Act applies only to ad valorem taxes imposed for a tax year that begins on or after the effective date of this Act.

SB 113 by West

Effective September 1, 2021

Sec. 26.175. Property Tax Database Locator Website

(a) In this section, "property tax database" means a property tax database required to be created and maintained by a chief appraiser under Section 26.17.

(b) The Department of Information Resources shall develop and maintain an easily accessible Internet website that lists each property tax database and includes a method to assist a property owner to identify the appropriate property tax database for the owner's property.

(c) The Internet website must provide a separate link to the Internet location of each property tax database.

(d) The address of the Internet website must be "Texas.gov/PropertyTaxes."

Not later than January 1, 2022, the Department of Information Resources shall develop the Internet website required by Section 26.175, Tax Code, as added by this Act.

HB 2723 by Meyer

Effective June 3, 2021

Chapter 31 - Collections

Sec. 31.032. Installment Payments of Taxes on Property in Disaster Area or Emergency Area that Has Been Damaged as a Result of Disaster or Emergency

(a) This section applies only to:

(1) real property that:

(A) is:

(i) the residence homestead of the owner or consists of property that is used for residential purposes and that has fewer than five living units; or

(ii) owned or leased by a business entity that had not more than the amount calculated as provided by Subsection (h) in gross receipts in the entity's most recent federal tax year or state franchise tax annual period, according to the applicable federal income tax return or state franchise tax report of the entity;

(B) is located in a disaster area or emergency area; and

(C) has been damaged as a direct result of the disaster or emergency;

(2) tangible personal property that is owned or leased by a business entity described by Subdivision (1)(A)(ii); and

(3) taxes that are imposed on the property by a taxing unit before the first anniversary of the disaster or emergency.

(g) In this section:

(3) "Emergency" means a state of emergency proclaimed by the governor under Section 433.001, Government Code.

(4) "Emergency area" means an area designated by the governor to be affected by an emergency under Section 433.001, Government Code.
SB 742 by Birdwell **Effective June 7, 2021**

Sec. 31.033. Installment Payments of Taxes on Property in Disaster Area or Emergency Area that Has Not Been Damaged as a Result Of Disaster or Emergency

(a) In this section, "disaster," "disaster area," "emergency," and "emergency area" have the meanings assigned by Section 31.032(g).

(b) This section applies only to:

(1) real property that:

(A) is owned or leased by a business entity that had not more than the amount calculated as provided by Section 31.032(h) in gross receipts in the entity's most recent federal tax year or state franchise tax annual period, according to the applicable federal income tax return or state franchise tax report of the entity;

(B) is located in a disaster area or emergency area; and

(C) has not been damaged as a direct result of the disaster or emergency;

(2) tangible personal property that is owned or leased by a business entity described by Subdivision (1)(A); and

(3) taxes that are imposed on the property by a taxing unit before the first anniversary of the disaster or emergency.

(c) The governing body of a taxing unit may authorize a person to pay the taxing unit's taxes imposed on property that the person owns in installments. If the governing body of a taxing unit adopts the installment-payment option under this subsection, Sections 31.032(b), (b-1), (c), and (d) apply to the payment by a person of the taxing unit's taxes imposed on property that the person owns in the same manner as those subsections apply to the payment of taxes imposed on property to which Section 31.032 applies.

(d) The comptroller shall adopt rules to implement this section.

SB 742 by Birdwell

Effective June 7, 2021

Sec. 31.06. Medium of Payment

(a) Except as provided by Section 31.061, taxes are payable only as provided by this section. Except as provided by Subsection (e), a [A] collector shall accept United States currency or a check or money order in payment of taxes and shall accept payment by credit card or electronic funds transfer.

(e) A collector may adopt a written policy that requires payment of delinquent taxes, penalties, interest, and costs and expenses recoverable under Section 33.48 only with United States currency, a cashier's check, a certified check, or an electronic funds transfer if the payment relates to:

(1) personal property seized under Subchapter B, Chapter 33;

(2) property subject to an order of sale under Subchapter C, Chapter 33; or

(3) real property seized under Subchapter E, Chapter 33.

SB 1764 by Bettencourt

Effective June 16, 2021

Sec. 31.11. Refunds of Overpayments or Erroneous Payments

(h) This section does not apply to an overpayment caused by a change of exemption status or correction of a tax roll, including an overpayment received after a correction of a tax roll as a result of an appeal under Chapter 42. Such an overpayment is covered by Section 26.15 or 42.43, as applicable.

HB 988 by Shine

Effective January 1, 2022

Chapter 33 - Delinquency

Sec. 33.06. Deferred Collection of Taxes on Residence Homestead of Elderly or Disabled Person or Disabled Veteran

(b) To obtain a deferral, an individual must file with the chief appraiser for the appraisal district in which the property is located an affidavit stating the facts required to be established by Subsection (a). The chief appraiser shall notify each taxing unit participating in the district of the filing. After an affidavit is filed under this subsection, a taxing unit may not file suit to collect delinquent taxes on the property and the property may not be sold at a sale to foreclose the

tax lien until the 181st day after the date the collector for the taxing unit delivers a notice of delinquency of the taxes following the date the individual no longer owns and occupies the property as a residence homestead.

(c) To obtain an abatement of a pending suit, the individual must file in the court in which suit is pending an affidavit stating the facts required to be established by Subsection (a). If no controverting affidavit is filed by the taxing unit filing suit or if, after a hearing, the court finds the individual is entitled to the deferral, the court shall abate the suit until the 181st day after the date the collector for the taxing unit delivers a notice of delinquency of the taxes following the date the individual no longer owns and occupies the property as a residence homestead. The clerk of the court shall deliver a copy of the judgment abating the suit to the chief appraiser of each appraisal district that appraises the property.

(c-1) To obtain an abatement of a pending sale to foreclose the tax lien, the individual must deliver an affidavit stating the facts required to be established by Subsection (a) to the chief appraiser of each appraisal district that appraises the property, the collector for the taxing unit that requested the order of sale or the attorney representing that taxing unit for the collection of delinquent taxes, and the officer charged with selling the property not later than the fifth day before the date of the sale. After an affidavit is delivered under this subsection, the property may not be sold at a tax sale until the 181st day after the date the collector for the taxing unit delivers a notice of delinquency of the taxes following the date the individual no longer owns and occupies the property as a residence homestead. If property is sold in violation of this section, the property owner may file a motion to set aside the sale under the same cause number and in the same court as a judgment reference in the order of sale. The motion must be filed during the applicable redemption period as set forth in Section 34.21(a) or, if the property is bid off to a taxing entity, on or before the 180th day following the date the taxing unit's deed is filed of record, whichever is later. This right is not transferable to a third party.

(f) Notwithstanding the other provisions of this section, if an individual who qualifies for a deferral or abatement of collection of taxes on property as provided by this section dies, the deferral or abatement continues in effect until the 181st day after the date the collector for the taxing unit delivers a notice of delinquency of the taxes following the date the surviving spouse of the individual no longer owns and occupies the property as a residence homestead if:

- (1) the property was the residence homestead of the deceased spouse when the deceased spouse died;
- (2) the surviving spouse was 55 years of age or older when the deceased spouse died; and
- (3) the property was the residence homestead of the surviving spouse when the deceased spouse died.

HB 3629 by Bonnen

Effective September 1, 2021

Sec. 33.08. Additional Penalty for Collection Costs for Taxes Due on or After June 1

(b) The governing body of the taxing unit or appraisal district, in the manner required by law for official action, may provide that taxes that become delinquent on or after June 1 under Section 26.075(j), 26.15(e), 31.03, 31.031, 31.032, 31.033, 31.04, or 42.42 incur an additional penalty to defray costs of collection. The amount of the penalty may not exceed the amount of the compensation specified in the applicable contract with an attorney under Section 6.30 to be paid in connection with the collection of the delinquent taxes.

SB 742 by Birdwell

Effective June 7, 2021

Sec. 33.25. Tax Sale: Notice; Method; Disposition of Proceeds

(a) After a seizure of personal property, the collector shall make a reasonable inquiry to determine the identity and to ascertain the address of any person having an interest in the property other than the person against whom the tax warrant is issued. The collector shall provide in writing the name and address of each other person the collector identifies as having an interest in the property to the peace officer charged with executing the warrant. The peace officer shall deliver as soon as possible a written notice stating the time and place of the sale and briefly describing the property seized to the person against whom the warrant is issued and to any other person having an interest in the property whose name and address the collector provided to the peace officer. The posting of the notice and the sale of the property shall be conducted:

(1) ~~[in a county other than a county to which Subdivision (2) applies, by the peace officer in the manner required for the sale under execution of personal property; or~~

~~[(2) in a county having a population of three million or more:~~

~~[(A)] by the peace officer or collector, as specified in the warrant, in the manner required for the sale under execution of personal property; or~~

~~(2) [(B)] under an agreement authorized by Subsection (b).~~

(b) The commissioners court of a county ~~[having a population of three million or more]~~ by official action may authorize a peace officer or the collector for the county charged with selling property under this subchapter by public

auction to enter into an agreement with a person who holds an auctioneer's license to advertise the auction sale of the property and to conduct the auction sale of the property. The agreement may provide for on-line bidding and sale. *The changes in law made by this Act apply only to an ad valorem tax sale of personal property seized under a tax warrant issued on or after the effective date of this Act. An ad valorem tax sale of personal property seized under a tax warrant issued before the effective date of this Act is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.*

HB 533 by Shine

Effective September 1, 2021

Chapter 41 - Local Review

Sec. 41.01. Duties of Appraisal Review Board

(c) The appraisal review board by rule shall adopt procedures for hearings the board conducts under this subchapter and Subchapter C. Before adopting the hearing procedures, the board shall hold a public hearing to consider the hearing procedures proposed for adoption by the board. Not later than May 15 of each year, the board shall hold the hearing, make any amendments to the proposed hearing procedures the board determines are necessary, and by resolution finally adopt the hearing procedures. The board must comply with Section 5.103(d) when adopting the hearing procedures. The chairman of the board is responsible for the administration of hearing procedures adopted by the board.

(d) The appraisal review board shall distribute copies of the hearing procedures adopted by the board to the board of directors of, and the taxpayer liaison officer for, the appraisal district for which the appraisal review board is established and to the comptroller not later than the 15th day after the date the board adopts the hearing procedures.

(e) The appraisal review board shall post a copy of the hearing procedures adopted by the board:

(1) in a prominent place in each room in which the board conducts hearings under this subchapter and Subchapter C; and

(2) if the appraisal district for which the board is established maintains an Internet website, on the appraisal district's website.

HB 988 by Shine

Effective June 15, 2021

Sec. 41.41. Right of Protest

Subsection (c), Section 41.41, Tax Code, as added by Chapter 1284 (H.B. 1313), Acts of the 86th Legislature, Regular Session, 2019, is redesignated as Subsection (d), Section 41.41, Tax Code.

HB 3607 by Leach

Effective September 1, 2021

Sec. 41.413. Protest by Person Leasing Property

(d) An [A-property] owner of real property shall send to a person leasing property under a contract described by Subsection (b) [this-section] a copy of any notice of appraised value of the property received by the property owner. The property owner must send the notice not later than the 10th day after the date the property owner receives the notice. Failure of the property owner to send a copy of the notice to the person leasing the property does not affect the time within which the person leasing the property may protest the appraised value. This subsection does not apply if the property owner and the person leasing the property have agreed in the contract to waive the requirements of this subsection or that the person leasing the property will not protest the appraised value of the property.

(e) A person leasing real property under a contract described by Subsection (b) [this-section] may request that the chief appraiser of the appraisal district in which the property is located send the notice described by Subsection (d) to the person. Except as provided by Subsection (f), the chief appraiser shall send the notice to the person leasing the property not later than the fifth day after the date the notice is sent to the property owner if the person demonstrates that the person is contractually obligated to reimburse the property owner for the taxes imposed on the property.

The changes in law made by this Act to Section 41.413(d) and (e), Tax Code, apply only to a notice of appraised value received by a property owner on or after the effective date of this Act.

SB 1088 by Creighton and SB 1421 by Bettencourt

Effective September 1, 2021

Sec. 41.44. Notice of Protest

(d) A notice of protest is sufficient if it identifies the protesting property owner, including a person claiming an ownership interest in the property even if that person is not listed on the appraisal records as an owner of the property, identifies the property that is the subject of the protest, and indicates apparent dissatisfaction with some determination of the appraisal office. The notice need not be on an official form, but the comptroller shall prescribe a form that provides for more detail about the nature of the protest. The form must permit a property owner to include each property in the appraisal district that is the subject of a protest. If the form includes boxes a property owner is required to select from to indicate the reason the owner is filing a protest, the form must permit a property owner who believes that the owner's property was appraised at a value that exceeds its appraised value, was appraised unequally, or both, to select a single box to indicate that the owner is filing a protest for either or both reasons. The form must permit a property owner to request that the protest be heard by a special panel established under Section 6.425 if the protest will be determined by an appraisal review board to which that section applies and the property is included in a classification described by Section 6.425(b). The comptroller, each appraisal office, and each appraisal review board shall make the forms readily available and deliver one to a property owner on request.

SB 63 by Nelson**Effective September 1, 2021****Sec. 41.44. Notice of Protest**

(d) A notice of protest is sufficient if it identifies the protesting property owner, including a person claiming an ownership interest in the property even if that person is not listed on the appraisal records as an owner of the property, identifies the property that is the subject of the protest, and indicates apparent dissatisfaction with some determination of the appraisal office. The notice need not be on an official form, but the comptroller shall prescribe a form that provides for more detail about the nature of the protest. The form must permit a property owner to include each property in the appraisal district that is the subject of a protest. The form must permit a property owner to request that the protest be heard by a special panel established under Section 6.425 if the protest will be determined by an appraisal review board to which that section applies and the property is included in a classification described by Section 6.425(b). The form must permit a property owner to request that the protest be heard by a single-member panel authorized by Section 41.45(b-4). The comptroller, each appraisal office, and each appraisal review board shall make the forms readily available and deliver one to a property owner on request.

HB 988 by Shine**Effective January 1, 2022**

NOTE: SB 63 and HB 988 amend Sec. 41.44(d). Below is a combination of both bills.

(d) A notice of protest is sufficient if it identifies the protesting property owner, including a person claiming an ownership interest in the property even if that person is not listed on the appraisal records as an owner of the property, identifies the property that is the subject of the protest, and indicates apparent dissatisfaction with some determination of the appraisal office. The notice need not be on an official form, but the comptroller shall prescribe a form that provides for more detail about the nature of the protest. The form must permit a property owner to include each property in the appraisal district that is the subject of a protest. If the form includes boxes a property owner is required to select from to indicate the reason the owner is filing a protest, the form must permit a property owner who believes that the owner's property was appraised at a value that exceeds its appraised value, was appraised unequally, or both, to select a single box to indicate that the owner is filing a protest for either or both reasons. The form must permit a property owner to request that the protest be heard by a special panel established under Section 6.425 if the protest will be determined by an appraisal review board to which that section applies and the property is included in a classification described by Section 6.425(b). The form must permit a property owner to request that the protest be heard by a single-member panel authorized by Section 41.45(b-4). The comptroller, each appraisal office, and each appraisal review board shall make the forms readily available and deliver one to a property owner on request.

Sec. 41.445. Informal Conference before Hearing on Protest

The appraisal office shall hold an informal conference with each property owner who files a notice of protest with the appraisal review board and requests an informal conference. An informal conference must be held before the hearing on the protest.

Section 41.445, Tax Code, as added by this Act, applies only to a protest under Chapter 41, Tax Code, for which a notice of protest is filed by a property owner on or after January 1, 2022. A protest under Chapter 41, Tax Code, for which a notice of protest is filed by a property owner before January 1, 2022, is governed by the law in effect on the date the notice of protest is filed, and the former law is continued in effect for that purpose.

HB 988 by Shine

Effective January 1, 2022

Sec. 41.45. Hearing on Protest

(a) On the filing of a notice as required by Section 41.44, the appraisal review board shall schedule a hearing on the protest. The appraisal review board shall schedule the hearing to be held as soon as practicable but not later than the 90th day after the date the board approves the appraisal records as provided by Section 41.12. If more than one protest is filed relating to the same property, the appraisal review board shall schedule a single hearing on all timely filed protests relating to the property. A hearing for a property that is owned in undivided or fractional interests, including separate interests in a mineral in place, shall be scheduled to provide for participation by all owners who have timely filed a protest.

Section 41.45, Tax Code, as amended by this Act, applies only to a protest for which the notice of protest was filed on or after the effective date of this Act.

SB 63 by Nelson

Effective September 1, 2021

Sec. 41.45. Hearing on Protest

(b) A property owner initiating a protest is entitled to appear to offer evidence or argument. A property owner may offer evidence or argument by affidavit without personally appearing and may appear by telephone conference call or videoconference to offer argument. A property owner who appears by telephone conference call or videoconference must offer any evidence by affidavit. A property owner must submit an affidavit described by this subsection to the board hearing the protest before the board begins the hearing on the protest. On receipt of an affidavit, the board shall notify the chief appraiser. The chief appraiser may inspect the affidavit and is entitled to a copy on request.

The changes in law made by this Act apply only to a protest under Chapter 41, Tax Code, for which a notice of protest was filed by a property owner on or after the effective date of this Act.

SB 1919 by Lucio

Effective September 1, 2021

Sec. 41.45. Hearing on Protest

(b-1) An appraisal review board shall conduct a hearing on a protest by telephone conference call or by videoconference, as specified by the property owner at the owner's election, if:

(1) the property owner notifies the board that the property owner intends to appear by telephone conference call or videoconference in the owner's notice of protest or by written notice filed with the board not later than the 10th day before the date of the hearing; or

(2) the board proposes that the hearing be conducted by telephone conference call or videoconference and the property owner agrees to the hearing being conducted in that manner.

The changes in law made by this Act apply only to a protest under Chapter 41, Tax Code, for which a notice of protest was filed by a property owner on or after the effective date of this Act.

SB 1919 by Lucio

Effective September 1, 2021

Sec. 41.45. Hearing on Protest

(b-1) An appraisal review board shall conduct a hearing on a protest by telephone conference call if:

~~[(1)]~~ the property owner notifies the board that the property owner intends to appear by telephone conference call in the owner's notice of protest or by written notice filed with the board not later than the 10th day before the date of the hearing ~~[-or~~

~~[(2)] the board proposes that the hearing be conducted by telephone conference call and the property owner agrees to the hearing being conducted in that manner].~~

Section 41.45, Tax Code, as amended by this Act, applies only to a protest under Chapter 41, Tax Code, for which a notice of protest is filed by a property owner on or after January 1, 2022. A protest under Chapter 41, Tax Code, for

which a notice of protest is filed by a property owner before January 1, 2022, is governed by the law in effect on the date the notice of protest is filed, and the former law is continued in effect for that purpose.

HB 988 by Shine

Effective January 1, 2022

NOTE: SB 1919 and HB 988 amend Sec. 41.45(b-1). Below is a combination of both bills.

(b-1) An appraisal review board shall conduct a hearing on a protest by telephone conference call or by videoconference, as specified by the property owner at the owner's election, if the property owner notifies the board that the property owner intends to appear by telephone conference call or videoconference in the owner's notice of protest or by written notice filed with the board not later than the 10th day before the date of the hearing.

Sec. 41.45. Hearing on Protest

(b-2) If a property owner elects to have a hearing on a protest conducted by telephone conference call or videoconference, the appraisal review board shall:

(1) provide:

(A) a telephone number for the property owner to call to participate in the hearing, if the hearing is to be conducted by telephone conference call; or

(B) an Internet location or uniform resource locator (URL) address for the property owner to use to participate in the hearing, if the hearing is to be conducted by videoconference; and

(2) hold the hearing in a location equipped with [telephone] equipment that allows each board member and the other parties to the protest who are present at the hearing to hear and, if applicable, see the property owner offer argument.

(b-3) A property owner is responsible for providing access to a hearing on a protest conducted by telephone conference call or videoconference to another person that the owner invites to participate in the hearing.

(b-4) Notwithstanding any other provision of this section, an appraisal review board is not required to conduct a hearing by videoconference if the board:

(1) is established for a county with a population of less than 100,000; and

(2) lacks the technological capability to conduct a videoconference.

The changes in law made by this Act apply only to a protest under Chapter 41, Tax Code, for which a notice of protest was filed by a property owner on or after the effective date of this Act.

SB 1919 by Lucio

Effective September 1, 2021

Sec. 41.45. Hearing on Protest

(b-4) An appraisal review board shall sit in a single-member panel to conduct a protest hearing under this section if the property owner requests that the hearing be conducted by a single-member panel:

(1) in the notice of protest; or

(2) in writing submitted to the board not later than the 10th day before the date of the hearing.

(b-5) If the recommendation of a single-member panel that conducts a hearing under Subsection (b-4) is not accepted by the appraisal review board, the board may refer the matter for rehearing to a single-member panel composed of a member who did not hear the original protest or the board may determine the protest.

(d) This subsection does not apply to a single-member panel established under Subsection (b-4) of this section or a special panel established under Section 6.425. An appraisal review board consisting of more than three members may sit in panels of not fewer than three members to conduct protest hearings. If the recommendation of a panel is not accepted by the board, the board may refer the matter for rehearing to a panel composed of members who did not hear the original protest or, if there are not at least three members who did not hear the original protest, the board may determine the protest.

(d-2) The determination of a protest heard by a panel under Subsection (b-4), (d), or (d-1) must be made by the board.

(d-3) The board must deliver notice of a hearing or meeting to determine a protest heard by a panel, or to rehear a protest, under Subsection (b-4), (d), or (d-1) in accordance with the provisions of this subchapter.

Section 41.45, Tax Code, as amended by this Act, applies only to a protest under Chapter 41, Tax Code, for which a notice of protest is filed by a property owner on or after January 1, 2022. A protest under Chapter 41, Tax Code, for which a notice of protest is filed by a property owner before January 1, 2022, is governed by the law in effect on the date the notice of protest is filed, and the former law is continued in effect for that purpose.

HB 988 by Shine

Effective January 1, 2022

Sec. 41.45. Hearing on Protest

(n) A property owner does not waive the right to appear in person at a protest hearing by submitting an affidavit to the appraisal review board or by electing to appear by telephone conference call or videoconference. The board may consider an affidavit submitted under this section only if the property owner does not appear in person at the hearing. For purposes of scheduling the hearing, the property owner must state in the affidavit that the property owner does not intend to appear at the hearing or that the property owner intends to appear at the hearing in person or by telephone conference call or videoconference and that the affidavit may be used only if the property owner does not appear at the hearing in person. If the property owner does not state in the affidavit whether the owner intends to appear at the hearing and has not elected to appear by telephone conference call or videoconference, the board shall consider the submission of the affidavit as an indication that the property owner does not intend to appear at the hearing. If the property owner states in the affidavit that the owner does not intend to appear at the hearing or does not state in the affidavit whether the owner intends to appear at the hearing and has not elected to appear by telephone conference call or videoconference, the board is not required to consider the affidavit at the scheduled hearing and may consider the affidavit at a hearing designated for the specific purpose of processing affidavits.

The changes in law made by this Act apply only to a protest under Chapter 41, Tax Code, for which a notice of protest was filed by a property owner on or after the effective date of this Act.

SB 1919 by Lucio

Effective September 1, 2021

Sec. 41.46. Notice of Protest Hearing

(f) This subsection applies only to the appraisal review board of an appraisal district established in a county with a population of 120,000 or more. In addition to the notice required by Subsection (a), on written request of the property owner initiating the protest, the appraisal review board shall deliver to the property owner an electronic reminder stating the date, time, and place of the protest hearing that is the subject of the notice. The property owner may request that delivery of the electronic reminder be made by e-mail or text message. The property owner must provide in the request the e-mail address or telephone number, as applicable, to which the appraisal review board must send the reminder. The appraisal review board must deliver the electronic reminder to the property owner not earlier than the seventh day after the date the appraisal review board delivers the notice required by Subsection (a) and not later than the day before the date of the hearing. Failure to deliver the electronic reminder required by this subsection is not considered a failure to provide or deliver notice under Section 41.411.

Section 41.46, Tax Code, as amended by this Act, applies only to a protest for which the notice of protest was filed on or after the effective date of this Act.

SB 63 by Nelson

Effective September 1, 2021

Sec. 41.461. Notice of Certain Matters before Hearing; Delivery of Requested Information

(a) At least 14 days before a hearing on a protest, the chief appraiser shall:

(1) deliver a copy of the pamphlet prepared by the comptroller under Section 5.06 to the property owner initiating the protest, or to an agent representing the owner if requested by the agent;

(2) inform the property owner that the owner or the agent of the owner is entitled on request to a copy of the data, schedules, formulas, and all other information the chief appraiser will introduce at the hearing to establish any matter at issue; and

(3) deliver a copy of the hearing procedures adopted [established] by the appraisal review board under Section 41.01 [41.66] to the property owner.

HB 988 by Shine

Effective June 15, 2021

Sec. 41.47. Determination of Protest

(c) If the protest is of the determination of the appraised value of the owner's property, the appraisal review board must state in the order the appraised value of the property, listed separately in the case of real property as the appraised value of the land and the appraised value of any improvement to the land as allocated by the chief appraiser:

(1) as shown in the appraisal records submitted to the board by the chief appraiser under Section 25.22 or 25.23; and

(2) as finally determined by the board.

(d-1) This subsection applies only to an appraisal district established in a county with a population of 120,000 or more. The requirements of this subsection are in addition to the requirements of Subsection (d). On written request submitted to the chief appraiser, the chief appraiser shall deliver by e-mail, in the manner provided by this subsection, a copy of the notice of issuance of the order and a copy of the order required by Subsection (d) if the property subject

to the order is not the subject of an agreement under Section 1.085. A request under this subsection may be submitted only by the property owner whose property is subject to the protest for which the order is issued, an attorney representing the property owner, or an individual designated by the property owner under Section 1.111. A person may include in a single request more than one property owned by the same property owner or multiple properties owned by multiple property owners. A person may submit more than one request. A person submitting a request must indicate in the request that the chief appraiser must make the delivery to the property owner, an attorney representing the property owner, an individual designated by the property owner under Section 1.111, or a combination of those persons. A person must submit a request before the protest hearing relating to each property included in the request. The chief appraiser shall deliver, as provided by this subsection, a copy of the notice of issuance of the order and a copy of the order required by Subsection (d) not later than the 21st day after the date the appraisal review board issues the order.

Section 41.47, Tax Code, as amended by this Act, applies only to a protest under Chapter 41, Tax Code, for which a notice of protest is filed by a property owner on or after January 1, 2022. A protest under Chapter 41, Tax Code, for which a notice of protest is filed by a property owner before January 1, 2022, is governed by the law in effect on the date the notice of protest is filed, and the former law is continued in effect for that purpose.

HB 988 by Shine

Effective January 1, 2022

Sec. 41.47. Determination of Protest

Subsection (f), Section 41.47, Tax Code, as added by Chapter 699 (S.B. 2531), Acts of the 86th Legislature, Regular Session, 2019, is redesignated as Subsection (g-1), Section 41.47, Tax Code.

HB 3607 by Leach

Effective September 1, 2021

Sec. 41.66. Hearing Procedures

(a) The appraisal review board shall conduct hearings in accordance with the hearing procedures adopted by the appraisal review board under Section 41.01(c) [establish by rule the procedures for hearings it conducts as provided by Subchapters A and C of this chapter]. On request made by a property owner in the owner's notice of protest or in a separate writing delivered to the appraisal review board on or before the date the notice of protest is filed, the property owner is entitled to a copy of the hearing procedures. The copy of the hearing procedures shall be delivered to the property owner not later than the 10th day before the date the hearing on the protest begins and may be delivered with the notice of the protest hearing required under Section 41.46(a). The notice of protest form prescribed by the comptroller under Section 41.44(d) or any other notice of protest form made available to a property owner by the appraisal review board or the appraisal office shall provide the property owner an opportunity to make or decline to make a request under this subsection. [The appraisal review board shall post a copy of the hearing procedures in a prominent place in the room in which the hearing is held.]

(q) A person who owns property in an appraisal district or the chief appraiser of an appraisal district may file a complaint with the taxpayer liaison officer for the appraisal district alleging that the appraisal review board established for the appraisal district has adopted or is implementing hearing procedures that are not in compliance with the model hearing procedures prepared by the comptroller under Section 5.103 or is not complying with procedural requirements under this chapter. The taxpayer liaison officer shall investigate the complaint and report the findings of the investigation to the board of directors of the appraisal district. The board of directors shall direct the chairman of the appraisal review board to take remedial action if, after reviewing the taxpayer liaison officer's report, the board of directors determines that the allegations contained in the complaint are true. The board of directors may remove the member of the appraisal review board serving as chairman of the appraisal review board from that member's position as chairman if the board determines that the chairman has failed to take the actions necessary to bring the appraisal review board into compliance with Section 5.103(d) or this chapter, as applicable.

HB 988 by Shine

Effective June 15, 2021

Sec. 41.67. Evidence

(e) The chief appraiser may not offer evidence or argument at a hearing on a protest in support of a reason for modifying or denying an application other than a reason stated in a notice delivered to the applicant under Section 11.45(d) or (e), 23.44(d), 23.57(d), 23.79(d), 23.85(d), 23.95(d), or 23.9805(d) unless the chief appraiser:

(1) provides written notice to the property owner of the additional reason for modifying or denying the application not later than the 14th day before the date of the hearing; and

(2) establishes that the additional reason was not known to the chief appraiser at the time the chief appraiser delivered to the applicant the notice under Section 11.45(d) or (e), 23.44(d), 23.57(d), 23.79(d), 23.85(d), 23.95(d), or 23.9805(d).

Section 41.67, Tax Code, as amended by this Act, applies only to a protest for which the notice of protest was filed on or after the effective date of this Act.

SB 63 by Nelson

Effective September 1, 2021

Chapter 41A - Appeal Through Binding Arbitration

Sec. 41A.015. Limited Binding Arbitration to Compel Compliance with Certain Procedural Requirements Related to Protests

(a) A property owner who has filed a notice of protest under Chapter 41 may file a request for limited binding arbitration under this section to compel the appraisal review board or chief appraiser, as appropriate, to:

(1) rescind procedural rules adopted by the appraisal review board that are not in compliance with the model hearing procedures prepared by the comptroller under Section 5.103;

(2) schedule a hearing on a protest as required by Section 41.45;

(3) deliver information to the property owner in the manner required by Section 41.461;

(4) allow the property owner to offer evidence, examine or cross-examine witnesses or other parties, and present arguments as required by Section 41.66(b);

(5) set a hearing for a time and date certain and postpone a hearing that does not begin within two hours of the scheduled time as required by Section 41.66(i);

(6) schedule hearings on protests concerning multiple properties identified in the same notice of protest on the same day at the request of the property owner or the property owner's designated agent as required by Section 41.66(j); or

(7) refrain from using or offering as evidence information requested by the property owner under Section 41.461 that was not delivered to the property owner at least 14 days before the hearing as required by Section 41.67(d).

(b) A property owner may not file a request for limited binding arbitration under this section unless:

(1) the property owner has delivered written notice to the chairman of the appraisal review board, the chief appraiser, and the taxpayer liaison officer for the applicable appraisal district by certified mail, return receipt requested, of the procedural requirement with which the property owner alleges the appraisal review board or chief appraiser failed to comply on or before the fifth business day after the date the appraisal review board or chief appraiser was required to comply with the requirement; and

(2) the chairman of the appraisal review board or chief appraiser, as applicable, fails to deliver to the property owner on or before the 10th day after the date the notice is delivered a written statement confirming that the appraisal review board or chief appraiser, as applicable, will comply with the requirement or cure a failure to comply with the requirement.

(c) Except as otherwise provided by this subtitle, the failure to comply with a procedural requirement listed under Subsection (a) is not a ground for postponement of a hearing on a protest. An appraisal review board may cure an alleged failure to comply with a procedural requirement that occurred during a hearing by rescinding the order determining the protest for which the hearing was held and scheduling a new hearing on the protest.

(d) A property owner must request limited binding arbitration under this section by filing a request with the comptroller. The property owner may not file the request earlier than the 11th day or later than the 30th day after the date the property owner delivers the notice required by Subsection (b)(1) to the chairman of the appraisal review board, the chief appraiser, and the taxpayer liaison officer for the applicable appraisal district.

(e) A request for limited binding arbitration under this section must be in a form prescribed by the comptroller and be accompanied by an arbitration deposit payable to the comptroller in the amount of:

(1) \$450, if the property that is the subject of the protest to which the arbitration relates qualifies as the property owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is \$500,000 or less, as determined by the appraisal district for the most recent tax year; or

(2) \$550, for property other than property described by Subdivision (1).

(f) The comptroller shall prescribe the form to be used for submitting a request for limited binding arbitration under this section. The form must require the property owner to provide:

(1) a statement that the property owner has provided the written notice required by Subsection (b);

- (2) a statement that the property owner has made the arbitration deposit required by this section;
- (3) a brief statement identifying the procedural requirement with which the property owner alleges the appraisal review board or chief appraiser, as applicable, has failed to comply;
- (4) a description of the action taken or not taken by the appraisal review board or chief appraiser regarding the procedural requirement identified under Subdivision (3);
- (5) a description of the property to which the award will apply; and
- (6) any other information reasonably necessary for the comptroller to appoint an arbitrator.
- (g) On receipt of the request and deposit under this section, the comptroller shall appoint an arbitrator from the registry maintained under Section 41A.06 who is eligible to serve as an arbitrator under Subsection (p) of this section. Section 41A.07(h) does not apply to the appointment of an arbitrator under this section.
- (h) The appraisal review board, the chief appraiser, and the property owner are parties to a limited binding arbitration conducted under this section. The appraisal review board may appear by counsel, by the chairman, or by a person designated by the chairman. The chief appraiser may appear by counsel, in person, or by a designated employee. The property owner may appear in the manner provided by Section 41A.08(b)(2), (3), (4), or (5).
- (i) The arbitrator shall make an arbitration award and deliver an electronic copy of the award to:
 - (1) the property owner;
 - (2) the chairman of the appraisal review board;
 - (3) the chief appraiser; and
 - (4) the comptroller.
- (j) An award under this section:
 - (1) shall include a determination of whether the appraisal review board or chief appraiser failed to comply with a procedural requirement as alleged in the request for limited binding arbitration;
 - (2) if the arbitrator determines that the appraisal review board or chief appraiser failed to comply with a procedural requirement as alleged in the request, shall direct the appraisal review board or chief appraiser, as applicable, to:
 - (A) comply with the procedural requirement; or
 - (B) if the hearing on the protest has been held and the appraisal review board has issued an order determining the protest, rescind the order and hold a new hearing on the protest that complies with the procedural requirement;
 - (3) shall specify the arbitrator's fee;
 - (4) is final and may not be appealed; and
 - (5) is enforceable as provided by Section 41A.09.
- (k) If the arbitrator determines that the appraisal review board or chief appraiser failed to comply with the procedural requirement that was the subject of the limited binding arbitration:
 - (1) the comptroller, on receipt of a copy of the award, shall refund the property owner's arbitration deposit, less the amount retained by the comptroller under Section 41A.05(b); and
 - (2) the appraisal district shall pay the arbitrator's fee.
- (l) If the arbitrator determines that the appraisal review board or chief appraiser complied with the procedural requirement that was the subject of the limited binding arbitration, the comptroller shall:
 - (1) pay the arbitrator's fee out of the owner's arbitration deposit; and
 - (2) refund to the owner the owner's arbitration deposit, less the arbitrator's fee and the amount retained by the comptroller under Section 41A.05(b).
- (m) As soon as practicable after receiving notice of an award, the appraisal review board or the chief appraiser shall:
 - (1) take any action required to comply with the requirements of the award; and
 - (2) if the award requires the appraisal review board to conduct a new hearing under Chapter 41, schedule and conduct the hearing.
- (n) An award under this section does not affect the property owner's right to:
 - (1) appeal the final determination of a protest by the appraisal review board under Chapter 42; or
 - (2) pursue any other legal or statutory remedy available to the property owner.
- (o) A property owner may request a single limited binding arbitration under this section that covers more than one property, more than one protest hearing, or an allegation of the failure by the appraisal review board or chief appraiser to comply with more than one procedural requirement so long as the requirements of Subsection (b) are met with regard to each alleged failure to comply. The amount of the arbitration deposit and the amount of the arbitrator's fee are computed as if a single property were the subject of the arbitration. If the arbitration involves property described by Subsection (e)(1) and property described by Subsection (e)(2), the amount of the arbitration deposit and the amount

of the arbitrator's fee are computed as if only the property described by Subsection (e)(2) were the subject of the arbitration. If the arbitration involves an allegation of the failure by the appraisal review board or chief appraiser to comply with more than one procedural requirement, Subsection (k) applies if the arbitrator determines that the appraisal review board or chief appraiser failed to comply with one or more of the procedural requirements that were the subject of the arbitration and Subsection (l) applies if the arbitrator determines that the appraisal review board or chief appraiser complied with all of the procedural requirements that were the subject of the arbitration.

(p) Section 41A.06 applies to the registration and qualification of an arbitrator under this section except that an arbitrator under this section must:

(1) be a licensed attorney; and

(2) agree to conduct an arbitration for a fee that is not more than:

(A) \$400 if the property is described by Subsection (e)(1); or

(B) \$500 if the property is described by Subsection (e)(2).

(q) Except as otherwise provided by this section, the provisions of this chapter apply to a limited binding arbitration under this section. In the event of a conflict between this section and another provision of this chapter, this section controls.

HB 988 by Shine

Effective June 15, 2021

Sec. 41A.10. Payment of Taxes Pending Appeal

(a) The pendency of an appeal under this chapter does not affect the delinquency date for the taxes on the property subject to the appeal. Except for a property owner who has elected to defer the collection of taxes under Section 33.06 or 33.065 on the property subject to the appeal and for which the deferral is still in effect, a [A] property owner who appeals an appraisal review board order under this chapter shall pay taxes on the property subject to the appeal in an amount equal to the amount of taxes due on the portion of the taxable value of the property that is not in dispute. If the final determination of an appeal under this chapter decreases the property owner's tax liability to less than the amount of taxes paid, the taxing unit shall refund to the property owner the difference between the amount of taxes paid and the amount of taxes for which the property owner is liable.

(c) For the purposes of Subsection (b) of this section, taxes are not considered delinquent on property subject to an appeal if the property owner has elected to defer the collection of taxes on the property under Section 33.06 or 33.065 and the deferral is still in effect.

The changes in law made by this Act apply only to a request for binding arbitration under Chapter 41A, Tax Code, that is filed on or after the effective date of this Act. A request for binding arbitration under Chapter 41A, Tax Code, that is filed before the effective date of this Act is governed by the law in effect on the date the request is filed, and the former law is continued in effect for that purpose.

SB 1854 by Powell and HB 988 by Shine

Effective September 1, 2021

Chapter 42 - Judicial Review

Sec. 42.015. Appeal by Person Leasing Property

(a) A person leasing property who is contractually obligated to reimburse the property owner for taxes imposed on the property is entitled to appeal an order of the appraisal review board determining a protest relating to the property:

(1) brought by the person under Section 41.413; or

(2) brought by the property owner if the property owner does not appeal the order.

Section 42.015, Tax Code, as amended by this Act, applies to an appeal under Chapter 42, Tax Code, that is pending on the date the amendments to those sections take effect under this Act or that is filed on or after that date.

HB 988 by Shine

Effective June 15, 2021

Sec. 42.23. Scope of Review

(e) For purposes of Subsection (d), a property owner may designate a cause of action under Section 42.25 or 42.26 as the basis for an appeal, but may not designate a cause of action under both sections as the basis for the appeal. Discovery regarding a cause of action that is not specifically designated by the property owner under Subsection (d) shall be conducted as provided by the Texas Rules of Civil Procedure. A [The] court may not enter an order, including a protective order [to modify the provisions of this subsection] under Rule 192.6 of the Texas Rules of Civil Procedure, that conflicts with Subsection (d).

Section 42.23, Tax Code, as amended by this Act, applies to an appeal under Chapter 42, Tax Code, that is pending on the date the amendments to those sections take effect under this Act or that is filed on or after that date.

HB 988 by Shine

Effective June 15, 2021

Chapter 312 - Property Redevelopment and Tax Abatement Act

Sec. 312.005. State Administration

(a) The comptroller shall maintain a central registry of reinvestment zones designated under this chapter and of ad valorem tax abatement agreements executed under this chapter. The chief appraiser of each appraisal district that appraises property for a taxing unit that has designated a reinvestment zone or executed a tax abatement agreement under this chapter shall deliver to the comptroller before July 1 of the year following the year in which the zone is designated or the agreement is executed a report providing the following information:

(1) for a reinvestment zone, a general description of the zone, including its size, the types of property located in it, its duration, and the guidelines and criteria established for the reinvestment zone under Section 312.002, including subsequent amendments and modifications of the guidelines or criteria;

(2) a copy of each tax abatement agreement to which a taxing unit that participates in the appraisal district is a party; ~~and~~

(3) the information described by Section 312.205(a)(1) in connection with each tax abatement agreement described by Subdivision (2) of this subsection; and

(4) any other information required by the comptroller to administer this section ~~[and Subchapter F, Chapter 111].~~

SB 1257 by Birdwell

Effective September 1, 2021

Sec. 312.210. Agreement by Taxing Units Relating to Property in Certain School Districts

(b) A tax abatement agreement with the owner of real property or tangible personal property that is located in the reinvestment zone described by Subsection (a) and in a school district that has a local revenue level that does not exceed the level established under Section 48.257, Education Code, must exempt from taxation:

(1) the portion of the value of the property in the amount specified in the joint agreement among the municipality, county, and junior college district; and

(2) an amount equal to 10 percent of the maximum portion of the value of the property that may under Section 312.204(a) be otherwise exempted from taxation.

HB 3607 by Leach

Effective September 1, 2021

Chapter 321 - Municipal Sales and Use Tax Act

Sec. 321.5025. Distribution of Trust Funds to Defunding Municipality

(a) In this section, "defunding municipality" means a municipality that is considered to be a defunding municipality for the current state fiscal year under Chapter 109, Local Government Code.

(b) Notwithstanding Section 321.502, the comptroller may not, before July 1 of each state fiscal year, send to a defunding municipality its share of the taxes collected by the comptroller under this chapter during the state fiscal year. Before sending the defunding municipality its share of the taxes, the comptroller shall deduct the amount reported to the comptroller for the defunding municipality under Subsection (c) and credit that deducted amount to the general revenue fund. Money credited to the general revenue fund under this subsection may be appropriated only to the Department of Public Safety.

(c) Not later than August 1 of each state fiscal year, the criminal justice division of the governor's office shall report to the comptroller for each defunding municipality the amount of money the state spent in that state fiscal year to provide law enforcement services in that defunding municipality.

Section 321.5025, Tax Code, as added by this Act, applies only to a distribution of municipal sales and use tax revenue to a municipality in a state fiscal year that begins on or after the effective date of this Act.

HB 1900 by Goldman

Effective September 1, 2021

Business Organizations Code

Chapter 5 - Names of Entities; Registered Agents and Registered Offices

Sec. 5.064. Name Falsely Implying Governmental Affiliation Prohibited

(a) A filing entity or a foreign filing entity may not use a name in this state that falsely implies an affiliation with a governmental entity.

(b) The submission of a filing instrument is an affirmation by the organizer or by a managerial official named in the filing instrument that the name provided as the name of the filing entity does not falsely imply an affiliation with a governmental entity.

(c) The addition of a word, phrase, or abbreviation that is required to be included in the name of a domestic or foreign filing entity under the provisions of this chapter is not a factor when determining whether a name violates Subsection (a).

(d) For purposes of this section, an entity name means:

(1) the name of a domestic filing entity, as evidenced by its certificate of formation, as amended or restated;

or

(2) in the case of a foreign filing entity, the name of the foreign filing entity or the fictitious name of a foreign filing entity, as evidenced by its application for registration or its most recent amended registration.

(e) The secretary of state shall adopt rules and prescribe procedures to implement this section.

Sec. 5.065. False Implication of Governmental Affiliation; Authority of Secretary of State and Attorney General

(a) On the written request of a governmental entity specifying the basis on which a filing entity's or foreign filing entity's name falsely implies affiliation with the governmental entity, the secretary of state may, in the secretary's reasonable discretion and after consultation with the attorney general, determine not later than the 30th day after the date of the secretary's acceptance of a filing instrument that a filing entity's or a foreign filing entity's name falsely implies an affiliation with a governmental entity in violation of Section 5.064.

(b) If the secretary of state determines under Subsection (a) that a filing entity's or foreign filing entity's name falsely implies an affiliation with a governmental entity, the secretary of state shall notify the entity in writing of the determination. The secretary of state shall provide the filing entity or foreign filing entity an opportunity to respond to the notice not later than the 60th day after the date of the notice, including through the submission of documentation verifying that the entity is affiliated with the governmental entity or by demonstrating that the entity's name does not falsely imply affiliation with the governmental entity. The secretary of state shall make a final determination, based on the filing entity's or foreign filing entity's response, as to whether or not the entity's name falsely implies an affiliation with a governmental entity.

(c) After making a final determination based on the filing entity's or foreign filing entity's response under Subsection (b), the secretary of state shall notify the filing entity or foreign filing entity of the secretary's final determination. If the entity does not timely respond to notice provided to the entity under Subsection (b), the secretary's initial determination becomes final. If the secretary of state finally determines that the filing entity's or foreign filing entity's name falsely implies an affiliation with a governmental entity, not later than the 90th day after the date the secretary of state sends the notification required by Subsection (b), the entity shall:

(1) cease transacting business or operating under that name in this state; and

(2) file with the secretary of state the applicable instrument to amend the entity's name as shown in the records of the secretary of state.

(d) If a filing entity or a foreign filing entity fails to take the action required by Subsection (c)(2), the secretary of state shall notify the attorney general of the entity's failure to file the applicable filing instrument.

(e) The attorney general may bring an action in the name of the state for injunctive relief to require compliance with this section.

(f) An action under this section may be brought in a district court in Travis County.

(g) The attorney general may recover reasonable expenses incurred in obtaining injunctive relief under this section, including court costs, reasonable attorney's fees, and investigatory costs.

(h) The secretary of state shall adopt rules and prescribe procedures to implement this section.

(i) Notwithstanding Subsection (a), on the written request of a governmental entity specifying the basis on which a filing entity's or foreign filing entity's name falsely implies affiliation with the governmental entity, the secretary of state may, in the secretary's reasonable discretion and after consultation with the attorney general, determine within eight years after the secretary's acceptance of a filing instrument that a filing entity's or a foreign filing entity's name falsely implies an affiliation with a governmental entity in violation of Section 5.064. A determination made under this subsection is subject to Subsections (b)-(g) to the same extent as a determination made under Subsection (a). This subsection expires December 31, 2021.

Not later than December 1, 2021, the secretary of state shall adopt rules and prescribe procedures under Section 5.065(h), Business Organizations Code, as added by this Act. The secretary of state and the attorney general retain the authority under Section 5.065, Business Organizations Code, as added by this Act, to act on a written request by a governmental entity under Section 5.065(i), Business Organizations Code, as added by this Act, that is made before December 31, 2021.

HB 1493 by Herrero

Effective September 1, 2021

Civil Practice and Remedies Code

Chapter 16 – Limitations

Sec. 16.013. Real Estate Appraisers and Appraisal Firms

(a) In this section:

- (1) "Appraisal" has the meaning assigned by Section 1103.003, Occupations Code.
 - (2) "Appraisal review" has the meaning assigned by Section 1104.003, Occupations Code.
 - (3) "Real estate appraisal firm" means an entity engaging a real estate appraiser as an owner, member, shareholder, partner, employee, or independent contractor to perform an appraisal or appraisal review.
 - (4) "Real estate appraiser" means an individual licensed or certified under Chapter 1103, Occupations Code.
- (b) Except for an action for fraud or breach of contract, a person must bring suit for damages or other relief arising from an appraisal or appraisal review conducted by a real estate appraiser or appraisal firm not later than the earlier of:

- (1) two years after the day the person knew or should have known the facts on which the action is based; or
- (2) five years after the day the appraisal or appraisal review was completed.

Section 16.013, Civil Practice and Remedies Code, as added by this Act, applies only to a cause of action that accrues on or after the effective date of this Act.

HB 1939 by Smith

Effective September 1, 2021

Chapter 150C - Entity Name Falsely Implying Governmental Affiliation

Sec. 150C.001. Definition

In this chapter, "governmental unit" has the meaning assigned by Section 101.001.

Sec. 150C.002. Falsely Implying Governmental Affiliation

- (a) A governmental unit is entitled to enjoin another person's use of an entity name that falsely implies governmental affiliation with the governmental unit.
- (b) In an action brought under this section, the governmental unit is entitled to injunctive relief throughout the state.
- (c) If the court finds that the person against whom the injunctive relief is sought wilfully intended to imply governmental affiliation with the governmental unit, the court, in the court's discretion, may award reasonable attorney's fees and court costs to the governmental unit.

HB 1493 by Herrero

Effective September 1, 2021

Education Code

Chapter 12 - Charters

Sec. 12.1058. Applicability of Other Laws

(a) An open-enrollment charter school is considered to be:

- (1) a local government for purposes of Chapter 791, Government Code;
- (2) a local government for purposes of Chapter 2259, Government Code, except that an open-enrollment charter school may not issue public securities as provided by Section 2259.031(b), Government Code;
- (3) a political subdivision for purposes of Chapter 172, Local Government Code; ~~and~~
- (4) a local governmental entity for purposes of Subchapter I, Chapter 271, Local Government Code;
- (5) a political subdivision for purposes of Section 16.061, Civil Practice and Remedies Code, with respect to any property purchased, leased, constructed, renovated, or improved with state funds under Section 12.128 of this code; and
- (6) a political subdivision for purposes of Section 11.11, Tax Code.

The change in law made by this Act applies only to ad valorem taxes imposed in a tax year that begins on or after the effective date of this Act.

HB 3610 by Gervin-Hawkins

Effective September 1, 2021

Sec. 12.128. Property Purchased or Leased with State Funds

(a) Property purchased with funds received by a charter holder under Section 12.106 ~~[after September 1, 2001]:~~

- (1) is considered to be public property for all purposes under state law;
- (2) is property of this state held in trust by the charter holder for the benefit of the students of the open-enrollment charter school; ~~and~~
- (3) may be used only for a purpose for which a school district may use school district property; and
- (4) is exempt from ad valorem taxation as provided by Section 11.11, Tax Code.

(a-1) Property leased with funds received by a charter holder under Section 12.106 ~~[after September 1, 2001]:~~

- (1) is considered to be public property for all purposes under state law;
- (2) is property of this state held in trust by the charter holder for the benefit of the students of the open-enrollment charter school; ~~and~~
- (3) may be used only for a purpose for which a school district may use school district property; and
- (4) is exempt from ad valorem taxation as provided by Section 11.11, Tax Code.

(a-2) The owner of property that receives a tax exemption under Subsection (a) shall transfer the amount of tax savings from the exemption to the tenant or reduce the common area maintenance fee in a proportionate amount based upon the square footage of the exempt portion of the property.

The change in law made by this Act applies only to ad valorem taxes imposed in a tax year that begins on or after the effective date of this Act.

HB 3610 by Gervin-Hawkins

Effective September 1, 2021

Chapter 44 - Fiscal Management

Sec. 44.004. Notice of Budget and Tax Rate Meeting; Budget Adoption

(c) The notice of public meeting to discuss and adopt the budget and the proposed tax rate may not be smaller than one-quarter page of a standard-size or a tabloid-size newspaper, and the headline on the notice must be in 18-point or larger type. Subject to Subsection (d), the notice must:

- (1) contain a statement in the following form:

"NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

"The (name of school district) will hold a public meeting at (time, date, year) in (name of room, building, physical location, city, state). The purpose of this meeting is to discuss the school district's budget that will determine the tax rate that will be adopted. Public participation in the discussion is invited." The statement of the purpose of the meeting must be in bold type. In reduced type, the notice must state: "The tax rate that is ultimately adopted at this

meeting or at a separate meeting at a later date may not exceed the proposed rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice." In addition, in reduced type, the notice must state: "Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property."

(2) contain a section entitled "Comparison of Proposed Budget with Last Year's Budget," which must show the difference, expressed as a percent increase or decrease, as applicable, in the amounts budgeted for the preceding fiscal year and the amount budgeted for the fiscal year that begins in the current tax year for each of the following:

- (A) maintenance and operations;
- (B) debt service; and
- (C) total expenditures;

(3) contain a section entitled "Total Appraised Value and Total Taxable Value," which must show the total appraised value and the total taxable value of all property and the total appraised value and the total taxable value of new property taxable by the district in the preceding tax year and the current tax year as calculated under Section 26.04, Tax Code;

(4) contain a statement of the total amount of the outstanding and unpaid bonded indebtedness of the school district;

(5) contain a section entitled "Comparison of Proposed Rates with Last Year's Rates," which must:

(A) show in rows the tax rates described by Subparagraphs (i)-(iii), expressed as amounts per \$100 valuation of property, for columns entitled "Maintenance & Operations," "Interest & Sinking Fund," and "Total," which is the sum of "Maintenance & Operations" and "Interest & Sinking Fund":

- (i) the school district's "Last Year's Rate";
- (ii) the "Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service," which:

(a) in the case of "Maintenance & Operations," is the tax rate that, when applied to the current taxable value for the district, as certified by the chief appraiser under Section 26.01, Tax Code, and as adjusted to reflect changes made by the chief appraiser as of the time the notice is prepared, would impose taxes in an amount that, when added to state funds to be distributed to the district under Chapter 48, would provide the same amount of maintenance and operations taxes and state funds distributed under Chapter 48 per student in average daily attendance for the applicable school year that was available to the district in the preceding school year; and

(b) in the case of "Interest & Sinking Fund," is the tax rate that, when applied to the current taxable value for the district, as certified by the chief appraiser under Section 26.01, Tax Code, and as adjusted to reflect changes made by the chief appraiser as of the time the notice is prepared, and when multiplied by the district's anticipated collection rate, would impose taxes in an amount that, when added to state funds to be distributed to the district under Chapter 46 and any excess taxes collected to service the district's debt during the preceding tax year but not used for that purpose during that year, would provide the amount required to service the district's debt; and

(iii) the "Proposed Rate";

(B) contain fourth and fifth columns aligned with the columns required by Paragraph (A) that show, for each row required by Paragraph (A):

(i) the "Local Revenue per Student," which is computed by multiplying the district's total taxable value of property, as certified by the chief appraiser for the applicable school year under Section 26.01, Tax Code, and as adjusted to reflect changes made by the chief appraiser as of the time the notice is prepared, by the total tax rate, and dividing the product by the number of students in average daily attendance in the district for the applicable school year; and

(ii) the "State Revenue per Student," which is computed by determining the amount of state aid received or to be received by the district under Chapters 43, 46, and 48 and dividing that amount by the number of students in average daily attendance in the district for the applicable school year; and

(C) contain an asterisk after each calculation for "Interest & Sinking Fund" and a footnote to the section that, in reduced type, states "The Interest & Sinking Fund tax revenue is used to pay for bonded

indebtedness on construction, equipment, or both. The bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.";

(6) contain a section entitled "Comparison of Proposed Levy with Last Year's Levy on Average Residence," which must:

(A) show in rows the information described by Subparagraphs (i)-(iv), rounded to the nearest dollar, for columns entitled "Last Year" and "This Year":

(i) "Average Market Value of Residences," determined using the same group of residences for each year;

(ii) "Average Taxable Value of Residences," determined after taking into account the limitation on the appraised value of residences under Section 23.23, Tax Code, and after subtracting all homestead exemptions applicable in each year, other than exemptions available only to disabled persons or persons 65 years of age or older or their surviving spouses, and using the same group of residences for each year;

(iii) "Last Year's Rate Versus Proposed Rate per \$100 Value"; and

(iv) "Taxes Due on Average Residence," determined using the same group of residences for each year; and

(B) contain the following information: "Increase (Decrease) in Taxes" expressed in dollars and cents, which is computed by subtracting the "Taxes Due on Average Residence" for the preceding tax year from the "Taxes Due on Average Residence" for the current tax year;

(7) contain the following statement in bold print: "Under state law, the dollar amount of school taxes imposed on the residence of a person 65 years of age or older or of the surviving spouse of such a person, if the surviving spouse was 55 years of age or older when the person died, may not be increased above the amount paid in the first year after the person turned 65, regardless of changes in tax rate or property value.";

(8) contain the following statement in bold print: "Notice of Voter-Approval Rate: The highest tax rate the district can adopt before requiring voter approval at an election is (the school district voter-approval rate determined under Section 26.08, Tax Code). This election will be automatically held if the district adopts a rate in excess of the voter-approval rate of (the school district voter-approval rate)."; and

(9) contain a section entitled "Fund Balances," which must include the estimated amount of interest and sinking fund balances and the estimated amount of maintenance and operation or general fund balances remaining at the end of the current fiscal year that are not encumbered with or by corresponding debt obligation, less estimated funds necessary for the operation of the district before the receipt of the first payment under Chapter 48 in the succeeding school year.

The changes in law made by this Act apply only to a notice required to be delivered for an ad valorem tax year that begins on or after January 1, 2022.

HB 2723 by Meyer

Effective June 3, 2021

Chapter 45 - School District Funds

Sec. 45.0021. Restriction on Maintenance Tax Levy

(a) A school district may not levy ~~increase the rate of~~ the district's maintenance taxes described by Section 45.002 at a rate intended to create a surplus in maintenance tax revenue for the purpose of paying the district's debt service.

(c) The agency shall:

(1) develop a method to identify school districts that may have adopted a maintenance tax rate in violation of Subsection (a), which must include a review of data over multiple years;

(2) for each school district identified under the method developed under Subdivision (1), investigate as necessary to determine whether the district has adopted a maintenance tax rate in violation of Subsection (a);

(3) if the agency determines that a school district has adopted a maintenance tax rate in violation of Subsection (a):

(A) order the district to comply with Subsection (a) not later than three years after the date of the order; and

(B) assist the district in developing a corrective action plan that, to the extent feasible, does not result in a net increase in the district's total tax rate; and

(4) post on the agency's Internet website a list of each school district the agency has determined to have adopted a maintenance tax rate in violation of Subsection (a).

(d) The implementation of a corrective action plan under Subsection (c)(3)(B) does not prohibit a school district from increasing the district's total tax rate as necessary to achieve other legal purposes.

(e) If a school district fails to take action under a corrective action plan developed under Subsection (c)(3)(B), the commissioner may reduce the district's entitlement under Chapter 48 by an amount equal to the difference between:

(1) the amount of state and local funding the district received as a result of adopting a maintenance tax rate in violation of Subsection (a); and

(2) the amount of state and local funding the district would have received if the district had not adopted a maintenance tax rate in violation of Subsection (a).

(f) This section does not prohibit a school district from:

(1) using a surplus in maintenance tax revenue to pay the district's debt service if:

(A) the district's interest and sinking fund tax revenue is insufficient to pay the district's debt service due to circumstances beyond the district's control; and

(B) the use of the surplus maintenance tax revenue to pay the district's debt service is necessary to prevent a default on the district's debt;

(2) paying a portion of the district's maintenance tax revenue into the tax increment fund for a reinvestment zone under Chapter 311, Tax Code; or

(3) using money disbursed from the tax increment fund for a reinvestment zone under Chapter 311, Tax Code, in accordance with the agreement entered into by the district with the governing body of the municipality or county that designated the zone under Section 311.013(f) of that code.

Section 45.0021, Education Code, as amended by this Act, applies only to a tax rate adopted on or after the effective date of this Act. A tax rate adopted before the effective date of this Act is governed by the law in effect on the date the tax rate was adopted, and the former law is continued in effect for that purpose. To the extent of any conflict, this Act prevails over another Act of the 87th Legislature, Regular Session, 2021, relating to nonsubstantive additions to and corrections in enacted codes.

HB 1525 by Huberty

Effective September 1, 2021

Sec. 45.0032. Components of Maintenance and Operations Tax

(d) For a district to which Section 26.042(e) [26.08(a-1)], Tax Code, applies, the amount by which the district's maintenance tax rate exceeds the district's voter-approval tax rate, excluding the district's current debt rate under Section 26.08(n)(3) [26.08(n)(1)(C)], Tax Code, for the preceding year is not considered in determining a district's tier one maintenance and operations tax rate under Subsection (a) or the district's enrichment tax rate under Subsection (b) for the current tax year.

SB 1438 by Bettencourt

Effective June 16, 2021

Subchapter K. County Equalization Rate

Sec. 45.351. Applicability

This subchapter applies only to a county:

(1) with a population of more than 40,000 but less than 55,000; and

(2) for which a county equalization tax was adopted under former Chapter 18 of this code, as that chapter existed on May 1, 1995, and continues in effect under Section 11.301.

Sec. 45.352. Election to Revoke County Equalization Tax

The commissioners court of a county to which this subchapter applies may order an election on the question of revoking the county equalization tax, in accordance with former Section 18.11 of this code and other applicable provisions of former Chapter 18, as that chapter existed on May 1, 1995, that continues in effect under Section 11.301.

HB 1133 by Clardy

Effective June 4, 2021