

BILL ANALYSIS

Senate Research Center
83R616 TJB-F

H.B. 242
By: Otto (Hegar)
Intergovernmental Relations
5/3/2013
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law requires certain property tax notices to be sent to property owners by certified mail to ensure that the owners timely receive information relevant to protests before the appraisal review board and related remedies. Interested parties note that if certain notices are not received in a timely fashion, property owners can suffer adverse financial impacts. For example, the owner of agricultural land owes a rollback tax if the land is determined by a chief appraiser to have been converted to a nonagricultural use and that determination is not contested to the appraisal review board within a certain amount of time. This makes the chief appraiser's duty to deliver a notice of such a determination extremely time sensitive. H.B. 242 seeks to prevent this type of adverse financial impact by adding certain property tax notices to those that must be delivered by certified mail.

H.B. 242 amends the Tax Code to add the following notices to the property tax notices that must be sent to a property owner by certified mail: notice by a chief appraiser of a determination that land previously designated for agricultural use has been diverted to a nonagricultural use; notice by a chief appraiser that a new application for an appraisal of property as agricultural land is required to confirm the land's current eligibility if the appraiser has reason to believe the land's eligibility has ended; notice of the imposition of a penalty for a late application for an appraisal of property as agricultural land and an explanation of the reason for the penalty; and notice by a chief appraiser of a determination that a change occurred in the use of land that has been appraised either as agricultural land or timber land and of the owner's right to protest the determination.

H.B. 242 amends current law relating to the requirement that certain ad valorem tax-related notices be delivered to a property owner by certified mail.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1.07(d), Tax Code, to require that a notice required by Section 11.45(d) (relating to requiring the chief appraiser to deliver a written notice of a modification or denial of an exemption to the applicant), 23.44(d) (relating to requiring the chief appraiser to deliver a written notice of the denial of an application to the claimant), 23.46(c) (relating to determining, if land that has been designated for agricultural use is sold or diverted, the total amount of additional taxes due), 23.54(e) (relating to providing that, if a person fails to file a valid application on time, the land is ineligible for appraisal for that year), 23.541(c) (relating to requiring the chief appraiser to make an entry of the appraisal records indicating the person's liability for the penalty and to deliver written notice of the imposition of the penalty to the person), 23.55(e) (relating to requiring a chief appraiser to deliver a notice of a determination to the owner of the land as soon as possible and to include in the notice an explanation of the owner's right to protest), 23.57(d) (relating to requiring the chief appraiser, if the chief appraiser denies an application, to deliver a written notice of the denial to the applicant), 23.76(e) (relating to requiring a chief appraiser to deliver a notice of a determination to the owner of the land as soon as possible and to include in the notice an explanation of the owner's right to protest),

23.79(d) (relating to requiring the chief appraiser to deliver a written notice of the denial of an application), or 23.85(d) (relating to requiring the chief appraiser to deliver a written notice of the denial of an application to the claimant), be sent by certified mail.

SECTION 2. Effective date: January 1, 2014.