

BILL ANALYSIS

S.B. 812
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Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been asserted that what constitutes a disaster recovery program for purposes relating to the application of a certain limitation on appraised value to an improvement that is a replacement structure for a structure that was rendered uninhabitable or unusable by a casualty or by wind or water damage needs to be updated and expanded to ensure that a certain program administered by the state, as well as programs administered at the local level, are included. S.B. 812 seeks to address this issue and ensure that victims of Hurricane Harvey and future disasters can benefit from the limitation by revising the definition of "disaster recovery program" used in relation to that limitation and providing for the correction or supplementation of appraisal records.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 812 amends the Tax Code to revise the definition of "disaster recovery program" as that definition relates to federal funding for such recovery and the limitation on the appraised value of a residence homestead for property tax purposes provided for an improvement to the homestead that is a replacement structure for a structure that was rendered uninhabitable or unusable by a casualty or by wind or water damage by:

- replacing references to certain specified federal laws with a reference to federal law generally; and
- including an applicable disaster recovery program administered by a political subdivision of the state.

S.B. 812 requires the General Land Office and each political subdivision that administers a disaster recovery program, not later than the 14th day after the bill's effective date, to prepare a list of each replacement structure that has been constructed since January 1, 2018, under a disaster recovery program administered by the entity and provide a list to the chief appraiser of each appraisal district of each property located in that appraisal district that is on the prepared list. The bill requires a chief appraiser, not later than the 60th day after receiving such a list, to take the following actions regarding each affected property on the list, if necessary:

- correct or supplement, as appropriate, the appraisal records for the appraisal district to indicate the correct appraised value for the affected property for the current tax year;

- deliver a corrected notice of appraised value to the owner of the affected property, if a notice of appraised value for that property was previously sent to the property owner for the current tax year; and
- notify the assessor and collector for each taxing unit in which the affected property is located of the correction or supplementation of the appraisal records for the appraisal district, if the appraisal records have been approved for the current tax year.

The bill provides for the delivery of a corrected tax bill and for the refund of taxes paid in excess of the corrected amount due, if applicable.

S.B. 812 applies only to the appraisal of a residence homestead for property tax purposes for a tax year that begins on or after January 1, 2019.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.