



# Texas Property Tax Law Changes 2009

Property Tax Assistance • July 2009

## Property Tax Bills: 81st Texas Legislature

*This publication summarizes changes in property tax laws made in the regular session of the 81st Texas Legislature. Changes are listed in the order in which they appear in the Property Tax Code. Proposed amendments to the Texas Constitution are noted. Other code amendments are included on a selective basis.*

*This publication is a summary of complex new laws. Do not rely on it to implement the new legislation. Some legislative changes that affect property tax administration may not be included. A supplemental publication may be prepared to correct any errors or omissions. Please read each new law carefully and consult with your attorney before implementation. To see an enrolled version of a bill, visit the Texas Legislature Online at [www.legis.state.tx.us](http://www.legis.state.tx.us) and search by bill number.*

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The following acronyms are used in this document:

- ARB** appraisal review board
- BTPE** Board of Tax Professional Examiners
- CAD** county appraisal district
- CPA** certified public accountant
- HB** House Bill
- HJR** House Joint Resolution
- OAG** Office of the Attorney General
- PVS** property value study
- SB** Senate Bill
- SOAH** State Office of Administrative Hearings
- TAC** tax assessor-collector
- TCEQ** Texas Commission on Environmental Quality
- TDLR** Texas Department of Licensing and Regulation

The Property Tax Assistance Division at the Texas Comptroller of Public Accounts provides property tax information and resources for taxpayers, local taxing entities, appraisal districts and appraisal review boards.

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## Chapter 1. General Provisions

### Section 1.111

**HB 1030** adds subsection (j) to entitle an authorized person who is exempt from registration as a property tax consultant and files a protest on behalf of a property owner to receive from the CAD all notices concerning the property under protest until the authority is revoked. These are the authorized persons: a person acting under a general power of attorney, an attorney, an in-house company tax agent, a lessee designated by property owner as an agent, a public employee who assists a property owner as part of public duties, a CPA or a real estate agent or appraiser who assists on farm and ranch or residential property protests only.

*Effective June 19, 2009.*

**HB 1203** amends subsection (b) to prohibit an agent from signing a fiduciary form and requires signing by the owner or a representative (other than designated agent). To be in effect, the form must be filed with the CAD. Subsection (i) was amended to define the timeliness of filing an agent authorization as submission at the time and place designated by the ARB.

*Effective May 26, 2009.*

## Chapter 5. State Administration

### Section 5.04

**HB 2447** requires that the Comptroller enter into a memorandum of understanding with TDLR for approving curriculum and materials for training appraisers and assessor-collectors. The Comptroller may contract or enter into a memorandum of understanding with other public agencies, educational institutions or private organizations in sponsoring courses of instruction and training.

*Effective Sept. 1, 2009.*

### Section 5.041

**HB 2317** amends subsection (a) to require the Comptroller to supervise a comprehensive training course for ARB members and adds subsections (e-1), (e-2) and (e-3) requiring the Comptroller to approve curricula and provide materials for use in a continuing education course for ARB members. An ARB member failing to complete the new course within two years is ineligible for reappointment. Successful completion is required annually. The Comptroller can contract with service providers for the course, but the course cannot be provided by a CAD or a taxing unit. The Comptroller can assess a fee to recover a portion of the costs of the continuing education course of up to \$50 per person.

*Effective Sept. 1, 2009.*

### Section 5.10

**HB 8** amends subsection (a) to change the frequency of the CAD study that determines the degree of uniformity and median level of appraisal from every year to at least every other year.

*Effective Jan. 1, 2010.*

### Section 5.101

Repeals the Comptroller's Technical Advisory Committee.

*Effective Jan. 1, 2010.*

### Section 5.102

**HB 8** amends subsection (a) to require the Comptroller to review each CAD's governance, taxpayer assistance, operating standards, appraisal standards, appraisal procedures and appraisal methodology at least once every two years. The bill allows the Comptroller to adopt rules for conducting and scoring the review after consulting with the Comptroller's Property Value Study Advisory Committee. The bill amends subsection (b) to allow the Comptroller to copy or print any record or report of a CAD. It amends subsection (c) to require the Comptroller to deliver a written report to the chief appraiser, CAD board of directors and each superintendent and board of trustees in school districts in the CAD. It amends subsection (d) to require the Comptroller to notify TDLR if the CAD does not take remedial action reasonably designed to ensure substantial compliance with each recommendation in the report within a year after the report is issued. TDLR must ensure that the Comptroller's recommendations are implemented as soon as practicable. It amends subsection (e) to require TDLR to determine, with the assistance of the Comptroller, whether the recommendations in the report were substantially implemented and notify the chief appraiser and CAD board of directors of the determination.

*Effective Jan. 1, 2010.*

### Section 5.12

**HB 8** amends subsection (e) to prohibit taxing units or taxpayers from requesting a CAD performance audit during a year that the Comptroller is conducting a CAD review under Tax Code Section 5.102.

*Effective Jan. 1, 2010.*



## Chapter 6. Local Administration

### Section 6.053

**SB 2148** requires chief appraisers to provide information and assistance to emergency management authorities regarding disaster mitigation or recovery, including assisting in the estimation of damage from an actual or potential disaster event.

*Effective June 19, 2009.*

### Section 6.41

**HB 1030** adds subsections (d-1) through (d-9) to create an exception to the existing process by which ARB members are selected in certain counties. In counties with a population of 3.3 million or more, or in an adjacent county of 350,000 or more (Harris and Fort Bend), the ARB members would be appointed by the local administrative district judge with selections from ARB commissioners. The administrative district judge could appoint from three to five persons to perform the duties of ARB commissioner in facilitating the selection of the ARB members. The terms of the judge-appointed ARB commissioners would be one year, with reappointment at the discretion of the judge. This bill does not affect the term of an ARB member serving a term that began prior to Dec. 31, 2009, and expires Dec. 31, 2010.

*Effective Jan. 1, 2010.*

**HB 3611** adds subsection (g) to allow boards of directors of two or more adjoining CADs to provide for a consolidated ARB by interlocal contract and is contingent upon voter approval of HJR 36.

*Effective June 19, 2010.*

### Section 6.411

**SB 771** amends subsections (c) and (d) and adds subsection (c-1) to specify that communications involving the chief appraiser CAD employee and a member of the ARB are not prohibited ex parte communications if they are confined to administrative, clerical or logistical matters related to the scheduling and operation of hearings, the processing of documents, the issuance of orders, notices and subpoenas and the operation of the ARB. The bill changes prohibited ex parte communications from a Class C to a Class A misdemeanor.

*Effective Jan. 1, 2010.*

### Section 6.42

**HB 2317** amends subsection (a) to give the CAD board of directors the authority to select the ARB chairman and secretary and to encourage the board of directors to select as chairman a member, if any, who has a background in law and property appraisal.

*Effective Sept. 1, 2009.*

## Chapter 11. Taxable Property and Exemptions

### Section 11.131

**HB 3613** requires an exemption, effective for the 2009 tax year, of the total appraised value of homesteads of Texas veterans who receive 100 percent disability compensation from the U.S. Department of Veterans Affairs and have either 100 percent disability rating or individual unemployability as determined by the U.S. Department of Veterans Affairs.

*Effective June 19, 2009.*

### Section 11.135

**HB 770** and **HB 1257** require the continuation of a homestead exemption when a residence is temporarily uninhabitable due to a casualty or to wind or water damage only if a homeowner begins repairs within one year. The continuation is limited to two years and is not available if the owner establishes a homestead exemption on another residence. This bill imposes an additional tax to recapture the tax lost to the continued exemption if the owner sells the property before the completion of a replacement structure. The bill requires a lien to be attached to the property to secure payment of the additional tax and

interest. The Comptroller is required to adopt rules and forms to implement this new section.

*Effective Jan. 1, 2010 (HB 770); and June 19, 2009 (HB 1257). Applies only to a tax year beginning after the effective date.*

### Section 11.18

**HB 2628** adds subsection (d)(23) and adds subsection (p) to exempt improvements to property owned by a charitable organization that has been in existence for at least 10 years and provides housing and related services to the chronically homeless and disabled. It must also be located on a single campus owned by a municipality with a population between 600,000 and 700,000.

*Effective Jan. 1, 2010.*

**SB 2442** amends subsection (d)(3) to specify that providing training and employment to the handicapped for producing commodities or services under 41 U.S.C. Sections 46-48c is an eligible charitable function; adds subsection (d)(23) to exempt radio stations that broadcast education, cultural or other public



## Chapter 11. Taxable Property and Exemptions (continued)

interest programming, including classical music, and in the preceding five years have received or selected to receive grants from the Corporation for Public Broadcasting; adds subsection (p) to exempt real property owned by a charitable organization and leased to an institution of higher education to the same extent as if the institution of higher education owned the property.

*Effective Jan. 1, 2010.*

### Section 11.181

**HB 2555** amends subsection (b) to increase the period for which property used exclusively for building or repairing housing to sell without profit to qualified low income persons may be exempt from three to five years.

*Effective June 19, 2009.*

### Section 11.184

**HB 2555** repeals subsection (b) to change the exemption for organizations engaged primarily in performing charitable functions from optional to mandatory. The bill amends subsection (c) and adds subsections (l), (m) and (n) to allow corporations that do not qualify as a charitable organization under Section 11.18 to qualify for an exemption under this section if they are exempt from federal income taxation under certain provisions of the Internal Revenue Code.

*Effective Jan. 1, 2010.*

### Section 11.22

**HB 3613** amends subsection (a) to conform the Tax Code bracket limits for the disabled veteran's partial exemption to the bracket limits in the Texas Constitution (30 percent, 50 percent and 70 percent disability ratings to the next highest bracket).

*Effective June 19, 2009.*

### Section 11.231

**HB 770** adds this section to provide an exemption for property owned by qualified nonprofit community business organizations that provide economic development services to a local community. The organization must have existed for the preceding five years, be a nonprofit corporation formed under Texas law, have an IRS Section 501(c)(6) exemption, have maintained dues-paying membership of at least 50 members, have an unpaid board elected by the members, engage primarily in specified activities and be supported primarily from membership dues and activities related to its primary functions. It may not be a statewide organization and cannot qualify if it is, has formed, or financially supports a political committee. The exemption applies to buildings and tangible personal property used exclusively by nonprofit community business organizations to perform their primary function, and includes incomplete improvements with the usual restrictions. Qualifying activities include the following: promoting the common economic interests of commercial enterprises; improving

the business conditions of one or more types of business or otherwise providing services to aid in economic development.

*Effective Jan. 1, 2010.*

### Section 11.26

**HB 770** and **HB 1257** make identical amendments to add subsection (n) which prevents a tax ceiling from expiring because the property has been rendered uninhabitable (see new Section 11.135). They also add subsection (o) to specify that a replacement structure that meets the requirement of Section 11.135 is not to be treated as a new improvement for the purpose of calculating the tax ceiling.

*Effective Jan. 1, 2010 (HB 770); also June 19, 2009 (HB 1257), but applies only to a tax year beginning after the effective date.*

### Section 11.261

**HB 770** and **HB 1257** make identical amendments to add subsection (l) which prevents a tax ceiling from expiring because the property has been rendered uninhabitable (see new Section 11.135). They also add subsection (m) to specify that a replacement structure that meets the requirements of Section 11.135 is not to be treated as a new improvement for the purpose of calculating the tax ceiling.

*Effective Jan. 1, 2010 (HB 770); also June 19, 2009 (HB 1257), but applies only to a tax year beginning after the effective date.*

### Section 11.31

**HB 3206** and **HB 3544** add subsections (g-1) and (n) to specify that rules adopted by TCEQ must apply uniformly to all applications for pollution control property determinations. These bills also require TCEQ to establish a permanent advisory committee. The committee includes representatives of industry, CADs, taxing units, environmental groups and members who are not representatives of any of those entities but have substantial technical expertise in pollution control technology and environmental engineering.

*Effective Sept. 1, 2009, but applies only to a tax year beginning after that date.*

**HB 3544** amends subsection (d) to allow the director of TCEQ to send notices and determinations to chief appraisers by electronic means.

*Effective Sept. 1, 2009.*

### Section 11.34

**SB 252** adds this section to permit cities with a population of less than 10,000 to call elections to enter into agreements with owners of property located in or adjacent to areas operated with funding from Texas Department of Agriculture to limit property taxes for five years. If the population of the city exceeds 10,000 during the life of the agreements, the validity of this law is not affected. The agreement made by the city is



## Chapter 11. Taxable Property and Exemptions (continued)

binding on all taxing entities in which the property has situs. If the city approves property taxes pursuant to voter approval, the appraisal office shall appraise the property to which the limitation applies and calculate taxes as on other property, but if the tax so calculated exceeds the limitation, the tax imposed is the amount of the tax as limited by the city's voter-approved policy. An agreement to limit tax increases must be entered into prior to Dec. 31 in the tax year the election is held. Tax limitations approved under this section expire on Jan. 1 of the sixth year after the adoption of the limitation; on Jan. 1 of the first tax year in which the owner of the property ceases to own the property eligible for the limitation; or on Jan. 1 of the year in which the majority owner sells or transfers his or her ownership interest if the property has more than one owner. This change applies to ad valorem taxes imposed for a tax year beginning on or after the effective date.

*Effective June 19, 2009.*

### Section 11.42

**HB 770** amends subsection (d) to make the exemption for a non-profit community business organization providing economic development services (Section 11.23) effective immediately upon qualification.

*Effective Jan. 1, 2010.*

### Section 11.43

**HB 770** amends subsection (c) to provide that application for the non-profit community business organization providing economic development services need not be submitted annually.

*Effective Jan. 1, 2010.*

**HB 2814** amends subsection (c) to provide that applications for exemptions on motor vehicles used for production of income and for personal activities (Section 11.254 as renumbered) need not be submitted annually.

*Effective Jan. 1, 2010.*

**HB 3613** amends subsection (c) to provide that applications for the disabled veteran's homestead exemption need not be submitted annually.

*Effective June 19, 2009.*

### Section 11.431

**HB 3613** gives a disabled veteran up to one year after the delinquency date to apply for a late disabled veteran's homestead exemption. It adds subsection (d-1) so that a residence homestead that receives an exemption under Section 11.131 in the year that is the subject of the PVS is not considered taxable property.

*Effective June 19, 2009.*

### Section 11.438

**SB 798** amends subsection (c) to clarify that a veteran's organization is eligible for a refund if a late application is approved and the taxes were paid under protest. The bill specifies that the standard refund application deadline does not apply.

*Effective Jan. 1, 2010.*

## Chapter 22. Renditions and Other Reports

### Section 22.27

**HB 2941** adds subsections (8) and (9) to allow disclosure of information confidential under that section to an employee or agent of a taxing unit responsible for auditing, monitoring or reviewing the operations of a CAD and to an employee or agent of a school district involved in preparing a protest of the Comptroller's PVS.

*Effective Jun. 19, 2009.*





## Chapter 23. Appraisal Methods and Procedures

### Section 23.01

**HB 1038** adds subsection (c) to provide that a chief appraiser, in appraising a residence homestead, may not exclude from consideration other property in the neighborhood that sold at foreclosure in any of the three years preceding the tax year and was comparable at the time of sale, or declined in value because of the economy.

*Effective Jan. 1, 2010.*

**HB 3613** amends subsection (c) to require that the market value of a residence homestead be determined solely on the basis of the current use of the property regardless of its highest and best use.

*Effective Jan. 1, 2010 contingent on voter approval of HJR 36.*

**SB 771** amends subsection (b) and adds subsection (c) to require that all available evidence specific to a property's value be taken into account in determining its market value. The bill sets the appraised value of a property at the value finally determined by an ARB, an arbitrator or a court. It prohibits the chief appraiser from increasing the appraised value of the property in the following tax year unless the increased value is reasonably supported by substantial evidence or by presenting evidence showing that an inequality in the appraisal of property was corrected. The burden of proof is on the chief appraiser to support an increase in the appraised value of property under the circumstances described by this subsection.

*Effective Jan. 1, 2010.*

### Section 23.013

**SB 771** amends subsection (a) and adds subsections (b), (c) and (d) to provide that a sale may not be considered a comparable sale unless it occurred within 24 months of the appraisal date. An exception may be granted if enough comparable properties were not sold during that period to constitute a representative sample. The bill provides that comparable sales must be appropriately time-adjusted and that comparability must be determined based on similarities in location, square footage of the lot and improvements, property age, property condition, property access, amenities, views, income, operating expenses, occupancy and the existence of easements, deed restrictions or other legal burdens affecting marketability.

*Effective Jan. 1, 2010.*

### Section 23.014

**SB 771** amends this section to provide an exception to the requirements for analyzing the effect of personal property on the value of real property (see Section 23.24).

*Effective Jan. 1, 2010.*

### Section 23.121

**HB 2071** amends various subsections within sections 23.121, 23.122, 23.124, 23.1241, 23.1242, 23.125, 23.127 and 23.128 to require dealers and retailers of certain special inventories to submit each month their inventory tax statement to the county TAC where the inventory was located, regardless of whether an item was sold. The tax statement should include a description of each item sold. If no items are sold, a dealer must file a statement that indicates no sales were made. This bill amends various subsections by adding a penalty for dealers and retailers of certain special inventories who fail to timely file a retailer's tax statement, in addition to those who fail to file.

*Effective Sept. 1, 2009.*

### Section 23.23

**HB 770** and **HB 1257** make identical amendments to subsection (f) to require that the replacement structure of a property qualified for the 10 percent limitation on appraised value increases be appraised at the appraised value the structure would have in the preceding year had the casualty not occurred, unless the square footage exceeds that of the replacement structure or if the exterior is of higher quality construction and composition than that of the replaced structure.

*Effective Jan. 1, 2010 (HB 770); also June 19, 2009 (HB 1257), but applies only to a tax year beginning after the effective date.*

### Section 23.24

**SB 771** adds subsection (b) to prohibit a chief appraiser from separately appraising or accounting for personal property that is already included in appraisal of real property for which the income approach to value was used. This will serve as an exception to Section 23.014, which requires the separate listing and appraisal of personal property if the income approach is not utilized.

*Effective Jan. 1, 2010.*

### Section 23.51

**SB 801** amends subdivision (7)(A) to expand the definition of land qualified for appraisal as open-space land used for wildlife management to include land that was qualified for appraisal as timberland.

*Effective Jan. 1, 2010.*

### Section 23.52

**SB 801** adds subsection (g) to codify the current practice of appraising open-space land in wildlife management use based on its previous agricultural use.

*Effective Jan. 1, 2010.*



### Section 23.522

**SB 771** adds this section to permit temporary cessation of agricultural use during drought. Qualified open-space land does not become ineligible for the special appraisal when a drought declared by the governor has created the necessity to cease agricultural use for longer than the normal time and when the owner intends to return the land to agricultural use to the degree of intensity that is typical in the area when the drought ends.

*Effective Jan. 1, 2010.*

### Section 23.56

**SB 801** adds subsection (1)(c) to expand land qualifying for appraisal as open-space land to include land inside a city limits if it has been devoted principally to agricultural use or timber production continuously for the preceding five years and is also used for wildlife management.

*Effective Jan. 1, 2010.*

## Chapter 24. Central Appraisal

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### Section 24.38

**HB 1309** amends this section to change the date the Comptroller certifies the apportioned market value of railroad rolling stock to county TACs from before Aug. 1 to before July 26.

*Effective Jan. 1, 2010.*

## Chapter 25. Local Appraisal

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### Section 25.025

**HB 559** amends subsection (a) to add justice of the peace to the definition of state judge for purposes of confidentiality of home addresses in appraisal records.

*Effective Sept. 1, 2009.*

**SB 281** amends subsection (a)(6) to add the spouse of a state or federal judge to the list of officials whose home address information is confidential.

*Effective Sept. 1, 2009.*

**SB 390** amends subsection (a) to add certain U.S. criminal investigators, police officers or inspectors to the list of officials whose home address information is confidential.

*Effective Sept. 1, 2009.*

## Chapter 26. Assessment

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### Section 26.01

**HB 3646** amends subsection (e) to change the deadline for the chief appraiser to prepare and certify estimates of the taxable value to county, municipality and school district assessors from June 7 to April 30.

*Effective Sept. 1, 2009.*

### Section 26.05

**HB 2291** amends subsection (b) by changing the wording of the motion used to adopt a tax rate that exceeds the effective tax rate. The wording for an ordinance resolution or order must give the percent increase above the effective tax rate The

wording for an ordinance resolution or order must be made in the following form: "I move that the property tax rate be increased by the adoption of a tax rate of (specify tax rate), which is effectively a (insert percentage by which the proposed tax rate exceeds the effective tax rate) percent increase in the tax rate." If the tax rate exceeds the effective maintenance and operations (M&O) rate, the following statement must be included: "The tax rate will effectively be raised by (insert percentage by which the tax rate exceeds the effective M&O rate) percent and will raise taxes for maintenance and operations on a \$100,000 home by approximately \$(insert amount)."

*Effective June 19, 2009.*



## Chapter 26. Assessment (continued)

**HB 3646** adds subsection (g) that allows a school district that elects to adopt a tax rate before the adoption of a budget to use the certified estimate of taxable value it receives from the CAD to set the tax rate. In such a case, the school district's effective and rollback rates are calculated using the certified estimate of taxable value.

*Effective Sept. 1, 2009.*

### Section 26.08

**HB 3646** and **SB 2274** add subsection (p) to require that if a school district's adopted M&O tax rate for the prior year was less than its effective M&O rate for that year, the district's current-year rollback tax rate is calculated as if its prior-year adopted M&O rate was equal to its prior-year effective M&O rate.

*Effective June 19, 2009.*

**SB 1024** adds subsections (d-1) and (d-2) to require that TACs prepare and mail corrected tax bills if the school district's proposed tax rate is not adopted by the voters and to require the school district to refund the difference between the amount of taxes paid and the amount due under the subsequently adopted rate if the difference between the amount of taxes paid and the amount due under the subsequent rate is \$1 or more. The delinquency date is extended to equal the number of days between the date the tax bills were originally mailed and the date the corrected bills were mailed.

*Effective Sept. 1, 2009.*

## Chapters 31–34. Collections and Delinquency

### Chapter 31

#### Section 31.01

**SB 562** amends subsection (a) to allow TACs a choice on whether or not they wish to put "RETURN SERVICE REQUESTED" on the envelopes of tax bills.

*Effective Sept. 1, 2009.*

#### Section 31.032

**HB 1257** amends subsection (a) and adds subsection (h) to extend an installment payment option to certain property damaged in a disaster and owned or leased by a business entity with \$5 million or less in annual gross receipts. The Comptroller is required to adjust the gross receipts limit for each subsequent tax year to reflect inflation.

*Effective June 19, 2009, but applies only to a tax year beginning after the effective date.*

#### Section 31.06

**HB 3646** amends subsection (a) to make it mandatory that TACs take credit cards or electronic funds transfers for payment of taxes. It deleted language that allowed a TAC and a person to enter into an agreement under which the person pays taxes by electronic funds transfer.

*Effective Sept. 1, 2009.*

#### Section 31.11

**HB 1205** amends subsection (a) by increasing the dollar limit for which taxing unit approval is required for refunds of overpayments or erroneous tax payments from \$2,500 to \$5,000 in a county with a population of 2 million or more.

*Effective Jan. 1, 2010.*

**SB 798** amends subsection (a) to make a determination of erroneous or excessive payment the TAC's responsibility with approval from the auditor, instead of the auditor's responsibility. It removes the requirement that a taxpayer apply for a refund from a TAC who collects taxes for a taxing unit in a county with a population of 2 million or more, if the refund amount is \$5 to \$5,000.

*Effective Jan. 1, 2010.*

### Chapter 32

#### Section 32.06

**HB 1465** amends subsection (i) to allow a taxing unit to join a tax lien transferee when it files suit to foreclose its own lien for delinquent property taxes. Once joined, a transferee is entitled to foreclose its lien, notwithstanding the current law that generally prohibits foreclosure within one year of the date on which the lien is recorded and regardless of whether the loan secured by the lien is delinquent. It authorizes a transferee to pay all taxes, penalties, interest, court costs and attorney's fees owing to the taxing units in the suit.

*Effective Sept. 1, 2009.*

**SB 1620** amends subsection (a-4) to require the Finance Commission of Texas by rule to prescribe the form and content of the sworn document under Subsection (a-1) relating to another person being authorized to pay certain taxes by filing a sworn document and the certified statement under subsection (b) relating to issuance of tax receipts.

*Effective Sept. 1, 2009.*





## Chapter 33

### Section 33.445

**HB 1465** allows a taxing unit to join each transferee of a tax lien in a suit. It allows the transferee to pay all the taxes, penalties and interest and acquire rights to foreclosure.

*Effective Sept. 1, 2009.*

## Chapter 34

### Section 34.021

**HB 406** requires a person conducting a foreclosure sale to pay any excess proceeds held by the court clerk within 10 days of the sale and specifies the method for handling the excess proceeds.

*Effective Sept. 1, 2009.*

### Section 34.04

**HB 406** amends several subsections to add that former owners must meet certain requirements before receiving any proceeds of a tax sale, preventing a former owner from establishing a claim to the proceeds if the former owner acquired the property after the date of the judgment, placing additional restrictions

on the assignment or transfer of an owner's interest and limiting participation in the owner's recovery. The bill restricts attorney fees for obtaining excess proceeds for owners, prohibits non-attorneys from charging a fee to obtain excess proceeds for an owner and restricts the amount of excess proceeds that a court may order to be paid to an assignee or transferee.

*Effective Sept. 1, 2009.*

### Section 34.21

**HB 1407** amends subsection (f) and adds subsection (f-1) to require that an owner of real property sold at a tax sale who seeks to redeem the property by paying the TAC rather than the purchaser must include in the redemption affidavit a statement that the owner's statutory redemption period has not expired, and changes the location for redemption by the owner of a property sold at a tax sale from "the county in which the property described has been redeemed" to "the county in which the property was sold." The bill requires the TAC to accept the assertions in the redemption affidavit and relieves the TAC from liability for performing legal duties in reliance on the assertions contained in the affidavit.

*Effective Sept. 1, 2009.*

## Chapter 41. Local Review

### Section 41.415

**SB 873** adds a section requiring CADs that maintain a Web site to allow electronic filing of a protest on a residence homestead for excessive appraisal or unequal appraisal, including electronic communications regarding that protest. These provisions are effective on Jan. 1, 2013 for counties with a population of 250,000 or less. It requires that CADs allow for electronic statements.

*Effective Jan. 1, 2011.*

**HB 1030** adds a similar section, except that it provides that the system does not apply if a property owner is represented by a tax agent.

*Effective Jan. 1, 2010.*

### Section 41.45

**HB 1030** amends subsection (e) to require an ARB to postpone a hearing on a showing of "good cause" instead of "reasonable cause." The chairman of the ARB is permitted to make the determination (currently, the full ARB must deny a postponement).

*Effective June 19, 2009.*

**HB 1030** amends subsections (e-1) and (e-2) so that a property owner who does not have an agent and who fails to appear at a hearing is entitled to a new hearing if he writes to the ARB within four days detailing "good cause" for failing to appear and requests a new hearing. "Good cause" is defined as a reason that includes an error or mistake that was not intentional or was not the result of conscious indifference and will not cause undue delay or injury to the person authorized to extend the deadline or grant a rescheduling.

*Effective June 19, 2009.*



## Chapter 41A. Appeal Through Binding Arbitration

### Section 41A.01

**SB 771** amends this section to allow binding arbitration for ARB orders determining a protest filed under Section 41.41(a) (1) [market or appraised value] on real and personal property valued at \$1 million or less and to allow binding arbitration for all residence homesteads, including those valued at more than \$1 million.

*Effective Jan. 1, 2010.*

### Section 41A.03

**HB 4412** adds subsection (a-1) to allow property owners of contiguous land that have two or more ARB orders of determination to pay only one arbitration deposit.

*Effective Sept. 1, 2009.*

**SB 771** amends the section to provide an expedited arbitration option with a reduced deposit of \$250 (see new section 41A.031).

*Effective Jan. 1, 2010.*

### Section 41A.031

**SB 771** provides for an expedited binding arbitration upon request of the property owner. The arbitration is limited to one

hour of argument and testimony per party. The Comptroller must adopt rules for the conduct of expedited arbitration.

*Effective Jan. 1, 2010.*

### Section 41A.06

**SB 771** amends subsection (b) to include licensed attorneys and certified public accountants as occupations that may initially qualify to serve as arbitrators.

*Effective Jan. 1, 2010.*

### Section 41A.061

**SB 771** requires arbitrators to complete eight hours of continuing education and file a renewal application within two years of being added to the arbitration registry. The Comptroller must remove an arbitrator from the registry if the arbitrator fails to meet these conditions.

*Effective Jan. 1, 2010.*

### Section 41A.08

**SB 771** amends this section to provide that parties to an arbitration proceeding may be represented by a certified public accountant (among others previously authorized).

*Effective Jan. 1, 2010.*

## Chapter 42. Judicial Review

### Section 42.08

**SB 1359** amends subsection (d) and adds subsections (e) and (f) to require that a person making a motion for a hearing regarding a party's non-payment of property taxes send a notice of the hearing to the collector for each taxing unit that imposes taxes on the property at least 45 days before the hearing. The bill specifies that a taxing unit that imposes taxes on the property may intervene in the appeal and participate in the proceedings for the limited purpose of determining whether the property owner has complied with this section (Forfeiture of Remedy for Non-Payment of Taxes) regardless of whether the taxing unit received proper notice.

*Effective June 19, 2009.*

### Section 42.21

**HB 986** amends subsection (a) to extend the deadline for appeal to district court from 45 to 60 days after a party receives notice that a final ARB order has been entered. The bill clarifies that the party may file the appeal between the date of the hearing and the notice date.

*Effective June 19, 2009.*

### Section 42.29

**HB 1030** amends subsection (a) to allow a property owner who prevails in a court appeal concerning an ARB determination on a motion filed under Tax Code Section 25.25 to receive attorney fees.

*Effective June 19, 2009.*

### Section 42.43

**HB 986** amends subsection (c) and adds (b-1), (e), (f), (g), (h) and (i) to change the property owner refund procedures following appeals to district court. The bill specifies that a refund is not considered made until the proper person receives the refund as specified by this section and that a refund cannot be sent before the earlier of the 21st day after the final determination of the appeal or receipt of a form designating a person to whom the refund must be sent, whichever occurs first. If a form designating a person other than the property owner is not filed before the 21st day after the final appeal determination and if the court does not designate a person other than the property owner, the taxing unit must send the refund to the property owner. The Comptroller must prescribe the form for the designation of the person to receive the refund.

*Effective June 19, 2009.*



## Chapter 311. Tax Increment Financing

### Section 311.003

**HB 1770** amends subsection (a) to allow cities to designate a contiguous or noncontiguous geographic area that is in the corporate limits of the municipality, the extraterritorial jurisdiction of the municipality or both as a reinvestment zone. It also allows a county to make the same designation to a contiguous geographic area in the county.

*Effective June 19, 2009.*

### Section 311.0085

**HB 752** amends subsection (a) to change the population limit to fewer than 130,000 for cities that have territory in three counties to enter into an agreement with a school district to dedicate revenue from a tax increment fund to the district for the acquisition, construction or reconstruction of an educational facility. Population figures are determined by 2000 U.S. census.

*Effective May 19, 2009.*

### Section 311.010

**SB 576** amends subsection (b) to allow the use of TIF funds for the construction of infrastructure in or out of the zone, including the purchase of real property necessary to build that infrastructure. The bill removes the authority to dedicate TIF funds to a neighborhood enterprise association.

*Effective June 19, 2009.*

### Section 311.012

**HB 1770** amends subsection (a) to allow a taxing unit the option to calculate its tax increment based on taxes levied and assessed rather than taxes levied and collected on the captured appraised value of real property taxable by the unit and located in a reinvestment zone. The governing body of the taxing unit determines which basis is used to calculate the amount of the unit's tax increment.

*Effective June 19, 2009.*

### Section 311.013

**HB 1770** amends subsection (c) to provide that notwithstanding any termination of the reinvestment zone under Section 311.017(a) as amended by this bill, the required payment to the fund is unchanged. The amendment to subsection (i) provides that notwithstanding the changes to Section 311.012(a) a taxing unit is not required to pay into a tax increment fund the applicable portion of a tax increment attributable to delinquent taxes until those taxes are collected.

*Effective June 19, 2009.*

**SB 576** amends subsection (g) to include municipalities in the entity authorized to grant a tax exemption to the owners of taxable real property within a TIF in lieu of paying a portion of its tax increment into the TIF. It adds the requirement that an agreement to exempt real property from ad valorem taxes be approved by the board of directors of the reinvestment zone and the governing body of each taxing unit that imposes taxes on real property in the zone and deposits any of its tax increment into the TIF.

*Effective June 19, 2009.*

### Section 311.017

**HB 1770** amends subsection (a) to allow a termination date later than the original date that was specified when creating the zone. The bill adds subsection (a-1) to provide that a taxing unit, other than the municipality or county that created the zone, is not required to pay any of its tax increment into the tax increment fund for the zone after the termination date designated in the ordinance or order creating the zone unless the governing body of the taxing unit enters into an agreement to do so with the governing body of the municipality or county that created the zone.

*Effective June 19, 2009.*



## Chapter 312. Tax Abatement Agreements

### Section 312.006

**HB 773, HB 3896 and SB 1458** reauthorize the Property Redevelopment and Tax Abatement Act through Sept. 1, 2019.

*Effective June 19, 2009.*

### Section 312.007

**HB 3896 and SB 1458** add this new section to allow taxing units to defer the commencement of the 10-year abatement period for an unspecified length of time mutually agreed upon by the taxing unit and the taxpayer.

*Effective June 19, 2009.*

### Section 312.402

**HB 3896 and SB 1458** clarify language that allows counties to grant an abatement on tangible personal property.

*Effective June 19, 2009.*

## Chapter 313. Texas Economic Development Act

### Section 313.007

**HB 3676** extends from Dec. 31, 2011 to Dec. 31, 2014 the expiration date of significant portions of this chapter.

*Effective Sept. 1, 2009.*

### Section 313.021

**HB 469** amends subsection (4)(C) to provide a qualifying time period of five years beginning on or after the third anniversary of a project approval for advanced clean energy projects. The school district and the property owner may agree to a shorter time period.

*Effective Sept. 1, 2009.*

**HB 3676** amends subsections (1)(A), (2) and (5) to clarify, rather than change, existing law.

*Effective Sept. 1, 2009.*

### Section 313.024

**HB 3676** amends subsection (b)(8) to add to the list of eligible property a computer center primarily used in connection with one or more activities described in Section 313.024(b)(1)-(7) and clarifies subsection (e).

*Effective Sept. 1, 2009.*

### Section 313.025

**HB 3676** amends subsection (a) to clarify existing law and adds subsection (a-1) requiring school districts to submit to the Comptroller copies of applications, agreements and any economic analyses (or any revisions of those documents) within seven days of receipt and to require the Comptroller to post each document on the Comptroller's Web site and for districts to have links to the Comptroller Web site. The bill amends subsection (b) to lengthen the application review period from 120 to 150 days and amends subsection (d) to lengthen the

period of time for Comptroller review of the application from 60 to 90 days. Subsection (d-1) is added to provide that when the Comptroller recommends disapproval of an application, a district can only approve that application with at least a two-thirds vote of the school board. The bill adds subsection (h) to require the Comptroller to determine whether the property described in the application meets the eligibility requirements of the chapter, and offer applicants the opportunity for a hearing on project eligibility conducted by the SOAH. The applicants could seek judicial review of the eligibility determination in a Travis County District Court. The bill adds subsection (i) to provide that if the Comptroller's determination was upheld by the appeals process, the Comptroller is not required to provide the economic impact evaluation or recommendation otherwise required by the chapter.

*Effective Jan. 1, 2010.*

### Section 313.026

**HB 3676** amends subsections (a) and (b) to expand the Comptroller's economic impact evaluation to include the impact a project would have on the state and individual units of government instead of the region. It requires the economic impact evaluation to include tax and other revenue gains, direct or indirect, that would be realized and economic effects of the project, including the impact on jobs and income, during the qualifying time period, the limitation period, and a period of time after the limitation period considered appropriate by the Comptroller are also required in the evaluation.

*Effective Sept. 1, 2009.*

### Section 313.0265

**HB 3676** requires the Comptroller to designate applications and certain other documents related to value limitation applications and projects as "substantive" and post them within 15 days of their creation or receipt on the Comptroller's Web site. The



Comptroller must maintain them until the expiration of the limitation (at least 10 years and four months). School districts are required to have links to the Comptroller's Web site.

*Effective Jan. 1, 2010.*

### Section 313.027

**HB 3676** amends subsection (f) to allow agreements to include a provision for payments from the owner to the school district for "extraordinary education-related expenses" related to the project. The bill adds subsections (h) to allow a school board and property owner to delay indefinitely the beginning of the qualifying time period as long as the qualifying time as not begun. Subsection (i) is added to limit "supplemental payments" from the project owner to the district to \$100 per student per year for a time not to exceed the qualifying limitation and tax credit settle-up periods.

*Effective Sept. 1, 2009.*

### Section 313.0275

**HB 3676** specifies that the owner of the project must make the minimum qualified investment and create the required number of qualifying jobs. It provides that the property owner is liable to the state for a penalty equal to the amount computed by subtracting from the market value of the property for that tax year the value of the property as limited by the agreement and multiplying the difference by the maintenance and operations tax rate of the school district for that tax year. The bill provides that such a penalty imposed under subsection (b) becomes delinquent if not paid on or before Feb. 1 of the following tax year.

*Effective Sept. 1, 2009.*

### Section 313.028

**HB 3676** amends this section to specify that confidential information be segregated in the application from information not considered confidential, and that certain information cannot be considered confidential business information.

*Effective Sept. 1, 2009.*

## Agriculture Code

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### Section 1.003

**HB 375** amends subsection (3) to define elk and hybrid elk as livestock.

*Effective May 27, 2009.*

### Section 313.029

**HB 3676** repeals this section which prohibited school districts with Chapter 313 agreements from holding tax rate rollback elections in the two tax years following the approval of a value limitation application.

*Effective Sept. 1, 2009.*

### Section 313.051

**HB 3676** amends subsection (a)(1) to allow school districts to be classified as rural under Subchapter C of Chapter 313 if the school district has territory in an area that was previously designated as a strategic investment area immediately prior to the expiration of subchapter O, Tax Code Chapter 171. The bill deletes subsection (a)(2)(B) which prevents school districts partially or wholly located within a metropolitan statistical area from being classified as rural under the subchapter.

*Effective Sept. 1, 2009.*

### Section 313.103

**HB 3676** deletes subsection (a)(3) to allow companies to file a tax credit application with the school district at any time, rather than before Sept. 1 of the third year of an agreement, as specified in current law. The bill adds subsection (b) that an application or any information provided by the school district to the Texas Education Agency in regard to the tax credit is not confidential.

*Effective Sept. 1, 2009.*

### Section 313.104

**HB 3676** amends this section for school boards to perform certain tasks prior to granting a tax credit, rather than within 90 days of the application filing.

*Effective Sept. 1, 2009.*





## Civil Practices and Remedies Code

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### Section 17.091

**HB 1804** amends provisions relating to the service of process for nonresidents for suits concerning delinquent taxes. The section will apply regardless of whether the defendant has resided in Texas. It requires duplicate copies of the process issued by the clerk of the court to be served on the Secretary of State (SOS). SOS is required to mail a copy of the process by certified mail, return receipt requested, with the postage prepaid to the non-resident and certify to the court that SOS has complied.

*Effective Sept. 1, 2009.*

## Education Code

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### Sections 42.2523 and 42.2524

**HB 4102** adds Sections 42.2523 and 42.2524 requiring the Commissioner of Education to adjust the taxable value of a property of a school district located within a declared disaster area as necessary to ensure that the district receives funding as soon as possible based on property values as affected by the disaster. The bill provides that the state may reimburse school districts for remediation related to a declared disaster under certain circumstances.

*Effective June 19, 2009.*

### Section 45.001

**HB 3646** amends this section to allow a district to retire debt early and to include that early payment in the calculation of the debt rate.

*Effective June 19, 2009.*

**SB 2274** amends subsection (a) to authorize a governing board of an independent school district to levy, pledge, assess and collect annual ad valorem taxes sufficient to pay the principal and interest bonds as or before the principal and interest becomes due.

*Effective June 19, 2009.*

## Election Code

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### Section 3.005

**HB 3646** amends this section to allow a school district to order an election to ratify a tax rate not later than the 30th day before the election date. The bill reduces the advance notice from 62 days.

*Effective Sept. 1, 2009.*



## Government Code

### Section 403.3011

**HB 8** changes the definition of an eligible school district to mean that a school district must have an invalid finding in the current study, have valid findings in the previous two studies by the Comptroller, and have its appraisal district be in compliance with the most recent review of the appraisal district. Eligible school districts are entitled to receive funding based upon local tax roll values, even though the Comptroller has found those values to be invalid in the current study.

*Effective Jan. 1, 2010.*

### Section 403.302

**HB 8** changes the frequency of the PVS from every year to every other year, unless the study reveals invalid findings, in which case, the study is conducted every year until the school district receives valid findings. The bill creates the Comptroller's Property Value Study Advisory Committee, including a Speaker-appointed House member, a Lieutenant Governor-appointed Senate member, two Comptroller-appointed appraisal district representatives, two Comptroller-appointed school district representatives, and three additional appointments by the Comptroller. The bill directs the Comptroller to review each CAD every other year concerning governance, taxpayer assistance and compliance with generally accepted appraisal standards, procedures and methodology.

*Effective Jan. 1, 2010.*

**HB 3676** provides that properties not taxed at full market value because of actions taken by a school district under subchapter B or C, Chapter 313, before the expiration of the subchapter, are deducted from the Comptroller's PVS, and the Comptroller is not required to deduct from the PVS the value of any Chapter 313 projects that are applied for after May 1, 2009, and not recommended by the Comptroller.

*Effective June 19, 2009.*

### Section 403.304

**HB 8** requires any governmental entity to promptly comply with a Comptroller's written or oral request for information for conducting the PVS and that the Comptroller keep confidential information obtained under a promise of confidentiality.

*Effective Jan. 1, 2010.*

### Section 418.016

**HB 3851** gives the governor authority to waive or suspend a deadline on a political subdivision, including a deadline relating to a budget or ad valorem tax, if the waiver or suspension is reasonably necessary to cope with a disaster.

*Effective June 19, 2009.*

### Section 418.1075

**HB 3851** amends subsections (a) and (b) to allow a deadline under local law relating to a budget or ad valorem tax to be suspended. The presiding officer of a political subdivision or, if there is no presiding officer, the political subdivision's governing body may issue an order ending the suspension of a deadline under this section. A deadline may not be suspended for more than 30 days after the date the presiding officer or governing body makes the proclamation.

*Effective June 19, 2009.*

### Section 552.024

**SB 1068** amends subsection (c) and adds subsections (c-1) and (c-2) to allow a governmental body to redact certain information from any information disclosed without the necessity of an OAG decision, allowing the requestor of the redacted information the right to request an opinion from the OAG.

*Effective June 4, 2009.*

### Section 552.1175

**SB 1068** adds subsections (f), (g) and (h) to allow a requestor of information the right to request a review and opinion from the OAG before being required to sue for a writ of mandamus or seek a declaratory judgment. The OAG shall establish procedures and deadlines for receiving information necessary to decide the matter and must render a decision no later than 45 business days after a request.

*Effective June 4, 2009.*

### Section 552.137

**HB 3544** adds subsection (c)(5) to permit disclosure of e-mail addresses provided to a governmental body for the purpose of providing public comment on or receiving notices related to a license as defined by Government Code Section 2001.003(2) or receiving orders or decisions from a governmental body.

*Effective Sept. 1, 2009.*

### Section 552.138

**SB 1068** adds subsections (c), (d) and (e) to allow a governmental body to redact information maintained by a family violence shelter center or sexual assault program without the necessity of an OAG opinion. The requestor has the right to seek an OAG opinion.

*Effective June 4, 2009.*



## Government Code (continued)

### Section 552.148

**HB 2941** amends subsection (c) and adds subsections (d) and (e) to give school districts the same authority that property owners have to obtain information, including confidential information, from the Comptroller and CADs relating to any protested finding in the PVS before the protest is filed.

*Effective June 19, 2009.*

**SB 1813** adds subsection (d) to make sections of the Government Code that except from disclosure certain information received from a private entity applicable to counties with populations of 20,000 or more.

*Effective June 19, 2009.*

### Section 552.151

**SB 1068** amends this section to allow a governmental body to exempt information about an employee or officer when it could cause substantial threat or physical harm to the employee or officer.

*Effective June 4, 2009.*

### Section 552.228

**HB 3544** amends this section to omit language permitting the use of paper copies to respond to public information requests so that only the medium acceptable to the requestor must be used.

*Effective Sept. 1, 2009.*

### Section 552.275

**SB 1629** adds subsection (j) so individuals who, for a substantial portion of their livelihood or for substantial financial

gain, gathers, complies, prepares, collects, photographs, records, writes, edits, reports, investigates, processes or publishes news or information for radio, television, newspaper or certain magazines are not required to pay personnel costs for public information.

*Effective Sept. 1, 2009.*

### Section 2003.901

**HB 3612** adds subchapter Z to establish a pilot program allowing property owners to appeal ARB determinations for certain real or personal properties to SOAH. The pilot program will be implemented in Bexar, Cameron, El Paso, Harris, Tarrant, and Travis counties for a three-year period beginning Jan. 1, 2010, and is limited to 3,000 appeals. Owners of real or personal properties appraised at more than \$1 million will be able to protest to SOAH determinations of ARBs resulting from disputes of appraised and market value or unequal appraisal. Mineral and industrial property are excluded. A SOAH determination precludes a district court appeal. SOAH has rulemaking authority to implement the pilot program. The bill authorizes education and training for SOAH administrative law judges from the Comptroller's ARB training courses and sets out notice and procedural requirements. SOAH and chief appraisers for counties included in the pilot program will submit a report including recommendations for future action at the end of the pilot program to the Legislature. The pilot expires Jan. 1, 2013.

*Effective Jan. 1, 2010.*

## Local Government Code

### Section 175.001

**SB 654** amends the section to include CAD employees in counties with a population of 75,000 or more, and who are entitled to receive retirement benefits from the CAD, among those employees eligible to purchase continued health coverage after their retirement. The bill expands the meaning of political subdivision to include a political subdivision of "any other state." The change applies to all eligible persons who leave employment with a CAD on or after Jan. 1, 2010.

*Effective June 19, 2009.*

### Section 324.099

**SB 1638** adds subsection (l) to require entities managing timeshare properties to collect and remit all district taxes if the managing entity advertises for the property owner or collects

rent for the property owner. This bill adds subsection (m) to allow managing entities to file a certificate executed in good faith with the district informing them they do not collect rent or advertise for the property owner.

*Effective Sept. 1, 2009.*

### Section 375.115

**HB 871** amends subsection (c) to allow flexibility to municipal management districts to notify property owners of scheduled hearings either using certified mail or another method that a municipal management district's board determines is adequate proof that the notice was timely disseminated.

*Effective Sept. 1, 2009.*



# Occupations Code

## Section 1151

**HB 2447** changes the heading of subchapter B to read “Texas Tax Professional Advisory Committee” instead of “BTPE.”

*Effective Sept. 1, 2009.*

## Section 1151.002

**HB 2447** amends subdivision (5) and adds subdivisions (7-a), (7-b) and (7-c) to change the word “board” to “commission;” defining “commission” as the “Texas Commission on Licensing and Regulation.” HB 2447 also defines “committee” as the “Texas Tax Professional Advisory Committee;” and defining “department” as “TDLR.”

*Effective Sept. 1, 2009.*

## Section 1151.004

**HB 2447** amends subsection (b) to change the word “board” to “department.”

*Effective Sept. 1, 2009.*

## Section 1151.051

**HB 2447** amends this section to abolish BTPE and create the Texas Tax Professional Advisory Committee consisting of two registered property appraisers, two registered tax assessors or registered tax collectors and three public members appointed by the presiding officer of the commission with the approval of the commission. Vacancies on the committee are filled in the same manner as the original appointment. The presiding officer of the commission shall designate one member of the committee as its presiding officer. Government Code Section 2110.008 does not apply to the committee.

*Effective Sept. 1, 2009.*

## Section 1151.0511

**HB 2447** amends this section changing the word “board” to either “committee” or “department” and adding subsection (5) so a person may not be a member of the committee if the person has at any time served on an ARB.

*Effective Sept. 1, 2009.*

## Section 1151.0512

**HB 2447** amends subsections (b) and (c) so a person may not be a member of the committee if the person or the person’s spouse is required to register as a lobbyist under Government Code Chapter 305.

*Effective Sept. 1, 2009.*

## Section 1151.052 and 1151.055

**HB 2447** amends these sections to change the word “board” to “committee.”

*Effective Sept. 1, 2009.*

## Section 1151.101

**HB 2447** amends this section so the commission, with the advice of the committee, shall establish reasonable and necessary fees to cover the costs of administering the programs and activities under this chapter.

*Effective Sept. 1, 2009.*

## Section 1151.1015

**HB 2447** amends this section to require the Comptroller to enter into a memorandum of understanding with the department under which the Comptroller shall provide the following:

- Information on the education needs of and opportunities for tax professionals;
- Review and approval of all required educational courses, examinations and continuing education programs for registrants;
- A copy of any report issued by the Comptroller under Tax Code Section 5.102, and if requested by the TDLR, a copy of any work papers or other documents collected or created in connection with a report issued under that section; and
- Information and assistance regarding administrative proceedings conducted under the commission’s rules or this chapter.

*Effective Sept. 1, 2009.*

## Section 1151.108

**HB 2447** amends this section to require the committee to recommend to the commission rules and standards regarding technical issues relating to tax professionals; to provide advice to the commission regarding continuing education courses and curricula for registrants; to provide advice to the commission regarding the contents of any examination required by the commission under this chapter; and to educate and respond to questions from the commission and the department regarding issues affecting tax professionals.

*Effective Sept. 1, 2009.*

## Section 1151.154

**HB 2447** amends this section to require a nonrefundable processing fee and nonrefundable registration fee with submission of an application for registration. The \$50 limitation for processing was repealed.

*Effective Sept. 1, 2009.*



## Occupations Code (continued)

### Section 1151.156

**HB 2447** amends this section prohibiting the department from refusing to register an applicant because of race, color, disability, sex, religion, age or national origin.

*Effective Sept. 1, 2009.*

### Section 1151.158

**HB 2447** amends this section so, unless otherwise provided by the commission, registration is valid for one year and renewed annually and the registrant must pay an annual fee. The \$75 limit on registration fees was repealed. The commission by rule may adopt a system under which registrations expire on various dates during the year. TDLR shall notify a registrant under this chapter of the impending expiration of the registration.

*Effective Sept. 1, 2009.*

### Section 1151.1581

**HB 2447** amends this section to require the Comptroller to review and approve all continuing education programs for registrants; require registrants to participate in programs to the extent required by the department; and allow the commission and the Comptroller to set fees for continuing education courses and providers of continuing education courses in amounts reasonable and necessary to cover TDLR's costs in administering their respective duties under this section.

*Effective Sept. 1, 2009.*

### Section 1151.161

**HB 2447** amends this section to require an applicant for examination to apply in the manner prescribed by TDLR. TDLR may accept, develop or contract for the examinations required by this section, including the administration of the examinations. The Comptroller must approve the content of an examination accepted, developed or contracted for by TDLR. TDLR may require a third-party vendor to collect a fee associated with the examination directly from examinees.

*Effective Sept. 1, 2009.*

### Section 1151.163

**HB 2447** amends this section changing "board" to "department" and "license" to "registration."

*Effective Sept. 1, 2009.*

### Section 1151.202

**HB 2447** is amended to allow TDLR to deny an application for registration or take other disciplinary action against a person who violates this chapter or commission rules. The

commission by rule shall adopt written guidelines to ensure that denials of registration and other disciplinary actions are administered consistently. Before imposing an administrative penalty, TDLR must consider evidence that the registrant did the following: attempted in good faith to implement or execute a law, policy, rule, order budgetary restriction or other regulation provided by the laws of this state, the Comptroller or the governing body or the chief administrator of the CAD or taxing jurisdiction that employs the registrant; acted on the advice of counsel or the Comptroller; or had discretion over the matter on which the complaint is based, if the complaint is based solely on grounds that the registrant decided incorrectly or failed to exercise discretion in favor of the complainant. TDLR may notify the local governmental entity that employs a registrant of a complaint against the registrant by sending a copy of the complaint letter to the local governmental entity.

*Effective Sept. 1, 2009.*

### Section 1151.204

**HB 2447** amends this section to allow that, after investigation, TDLR may dismiss a complaint without conducting a hearing if the complaint challenges only the appraised value of a property or another matter for which Tax Code Title I specifies a remedy and does not credibly allege a violation of this chapter or the standards established by the commission for registrants under this chapter; and the disagreement has not been resolved in the complainant's favor by an ARB or court.

*Effective Sept. 1, 2009.*

### Section 1151.252

**HB 2447** amends this section to clarify that a person commits an offense if the person performs appraisal functions with a registration or certification that is not active.

*Effective Sept. 1, 2009.*

### Section 1151.253

**HB 2447** amends this section to allow a person to file a complaint with TDLR concerning a violation of this chapter or a rule adopted by the commission under this chapter.

*Effective Sept. 1, 2009.*

### Sections 1151.102-1151.107, 1151.151-1151.153, 1151.155, 1151.157, 1151.160, 1151.162, 1151.164, 1151.205, 1151.251, 1152.103

**HB 2447** amends these sections changing the word "board" to either "department" or "commission."

*Effective Sept. 1, 2009.*





## Occupations Code (continued)

### Section 1152.156

**HB 2591** amends subsection (a) to increase the number of classroom hours required to register as a property tax consultant from 15 to 40, including at least four hours of instruction on Texas laws and legal issues related to property tax consulting. A property tax consultant will also need to pass a competency exam.

*Effective Sept. 1, 2009 but applies only to applications submitted after March 1, 2010.*

### Section 1152.160

**HB 2591** amends this section to direct TDLR to adopt a competency exam for registrants and to accept, develop or contract for administration of the examination.

*Effective Sept. 1, 2010.*

### Section 1152.231

**HB 2591** adds this section describing general actions prohibited by property tax consultants. A registered senior property tax consultant may not supervise more than 10 registered property tax consultants unless the tax consultant sponsored or supervised has been employed as a tax consultant on a full-time basis, performed tax consultant-related services as an employee of a property owner or performed licensed appraisal services for the previous six months. A property tax consultant may also not file a protest under Chapter 41 without approval of a property owner; may not falsify an agent appointment, exemption application, protest or other legal document; and may not file a motion or protest concerning residential property on behalf of a person whom the registrant does not represent, unless the registrant has authorization from that person or another person, agent or firm authorized by the person to designate agents.

*Effective Jan. 1, 2010.*

### Section 1152.232

**HB 2591** adds this section to prohibit a person required to register under this chapter from soliciting a property tax consulting assignment by assuring a specific outcome.

*Effective Jan. 1, 2010.*

### Section 1152.233

**HB 2591** adds this section to prohibit a person required to register under this chapter from maintaining a Web site for any purpose associated with the provision of tax consulting services by the registrant that has a domain name or other Internet address that implies that the Web site is a government Web site and from maintaining a Web site for the purpose of soliciting clients if the Web site does not identify the company prominently on the homepage.

*Effective Jan. 1, 2010.*

### Section 1152.234

**HB 2591** adds this section to prohibit a person required to register under this chapter from engaging the services of an attorney for purposes of filing an appeal under Chapter 42 without prior consent of the client.

*Effective Jan. 1, 2010.*

### Section 1201.217

**HB 2238** amends subsection (d) to clarify how a lien is perfected on a manufactured home and specifies that the tax lien shall be filed by the tax collector for any taxing unit having the power to tax the manufactured home.

*Effective Sept. 1, 2009.*

## Texas Constitution

### Section 1, Article VIII

**HJR 36** would amend Section 1, Article VIII to authorize the Legislature to provide for taxation on residence homesteads to be based on value solely as a residence and not according to "highest and best use" of the property. This amendment will be put before voters in an election to be held on Nov. 3, 2009.

### Section 18, Article VIII

**HJR 36** would amend Section 18(c), Article VIII to authorize the Legislature to allow for a single board of equalization (ARB) for two or more adjoining appraisal entities that elect to have consolidated equalizations. This amendment will be put before voters in an election to be held on Nov. 3, 2009.

### Section 23(b), Article VIII

**HJR 36** repeals the existing requirements that enforcement of uniform appraisal procedures originate in the county where the tax is imposed. Instead that would be prescribed by general law.

Property Tax Information Services  
[www.window.state.tx.us](http://www.window.state.tx.us)  
Call toll free in Texas (800) 252-9121  
In Austin, call (512) 305-9999

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