

LEGISLATIVE RUMBLINGS

Jordan Wise, Chief Appraiser
Fort Bend Central Appraisal District

Shannon Murphy, Director
Property Tax Assistance Division

- ▶ Property Tax Relief
- ▶ Appraisal District Operations
- ▶ Appraisal Review Boards
- ▶ Arbitration
- ▶ Tax Rates
- ▶ Collections
- ▶ Miscellaneous

AGENDA



88TH LEGISLATIVE SESSION

OUTLOOK
IS
GOOD

THE BIG PICTURE

- ▶ Legislature meets for 140 days every odd numbered year in the capitol building in Austin.
- ▶ Two groups make the laws, House and Senate. The Governor must sign to make it official or can veto (cancel) a bill. Can also let a bill pass without signature.
- ▶ Committees must hear a bill before it can become a law.
- ▶ *Laws can only be submitted through the office of an elected legislator and officially drafted and registered through certain personnel.*

THE TEXAS LEGISLATURE

**House of
Representatives**
150 members



Senate
31 members



The House members elect the Speaker of the House on the first day of session.

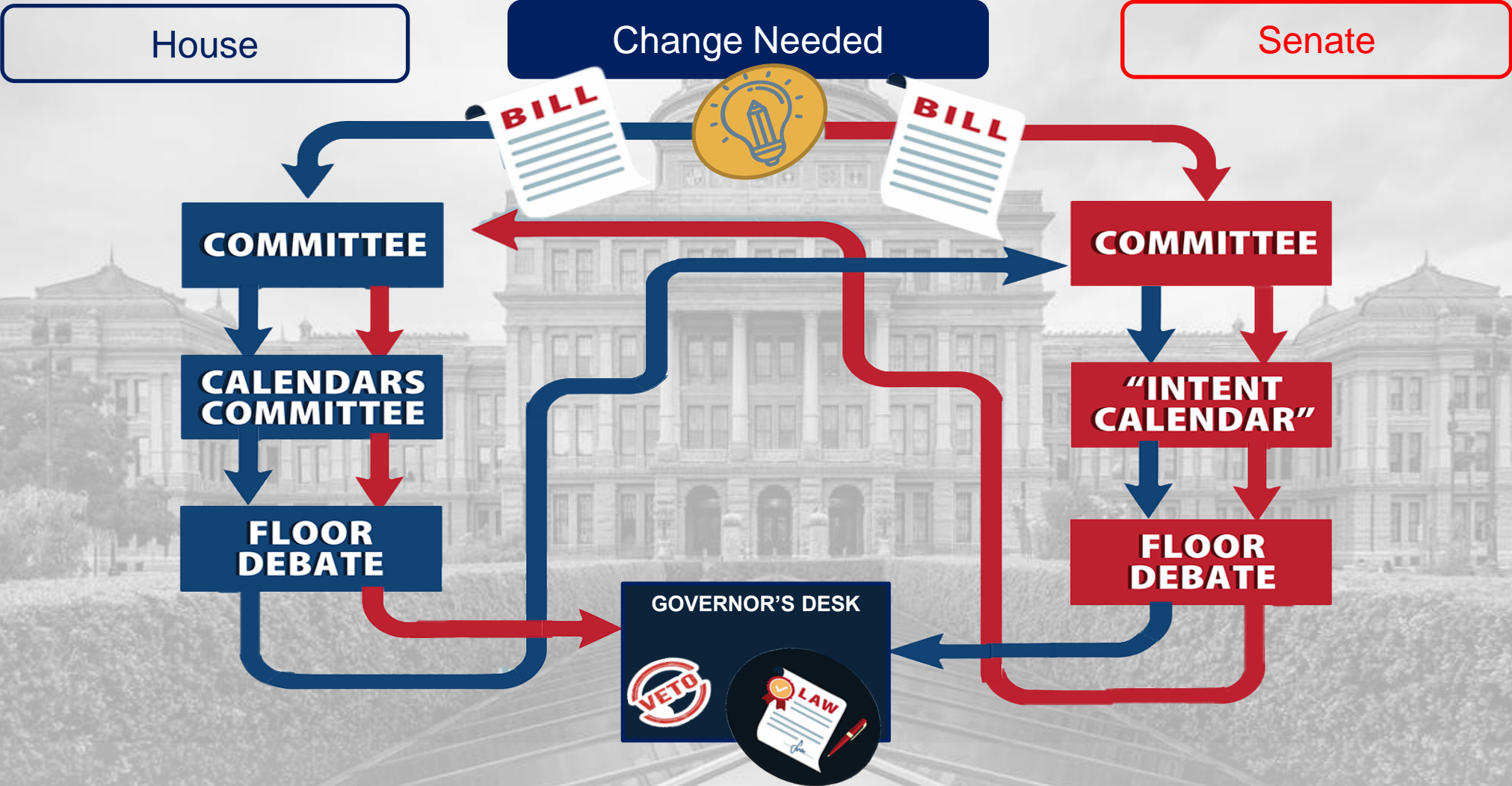
**Speaker: Dade
Phelan (R-Beaumont)**



Lt. Governor is elected statewide and serves as the President of the Texas State Senate.

**Dan Patrick is the Lt.
Governor.**

How Bills Become Laws in Texas



Bill pre-filing begins

60-day deadline for
bill filing

Nov 14
2022

Jan 10
2023

Mar 10
2023

May 29
2023

Regular session begins
(convenes) at noon

Sine die – end of
session

KEY DATES AND DEADLINES

PROPERTY TAX RELIEF

OUTLOOK
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**TAXING
ENTITIES**

**APPRAISAL
DISTRICTS**

**TEXAS
LEGISLATURE**

PROPERTY TAX RELIEF

- ▶ **Legislative Rumbblings**

- ▶ School Funding Compression Rates
- ▶ Appraisal Limitation (Cap)
- ▶ Exemptions
- ▶ Property Owner Payments

SCHOOL FINANCE



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SCHOOL FINANCE

- ▶ **Change basis for state funding from daily attendance to enrollment**
 - ▶ HB 31/SB 263 and HB 38/HB 135
- ▶ **Replaces M&O with value added tax**
 - ▶ HB 43/HB 268/HB 577
- ▶ **Excess revenue used to reduce compression rate**
 - ▶ HB 174/HB 379 and HB 612/HB 629
- ▶ **Repeal requirement for school districts to reduce local revenue in excess of entitlement**
 - ▶ HB 620
- ▶ **Increases the daily average attendance allotment**
 - ▶ HB 882/SB 88
- ▶ **Prohibition on M&O taxes under certain conditions**
 - ▶ HJR 36
- ▶ **Expands SDPVS from every 2 years to every 4 years**
 - ▶ HB 971

EXEMPTIONS



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RESIDENCE HOMESTEAD EXEMPTIONS

- ▶ **Total exemption to qualifying caregiver**
 - ▶ HB 144/HB and 147/HJR 16
- ▶ **Total exemption for 80 or older**
 - ▶ HB 215/HJR 13
- ▶ **5% or more (not to exceed 25%)**
 - ▶ HB 419/HJR 23
- ▶ **Extends exemption to parents/guardians of disabled persons**
 - ▶ HB 582/HJR 43
- ▶ **Optional 50% exemption for qualifying physicians**
 - ▶ HB 596/HJR 45
- ▶ **Increase general exemption to \$50,000 and provide temporary reduction of limitation for 65 and older or disabled**
 - ▶ HB 610/HJR 44
- ▶ **Optional \$5,000 exemption**
 - ▶ SB 196/SJR 20

OTHER EXEMPTIONS

- ▶ **Installation of water conservation systems**
 - ▶ HB 40/HJR 25
- ▶ **Property owned by economic development corporation used for public purpose**
 - ▶ HB 398
- ▶ **Royalty interests of charitable organizations**
 - ▶ HB 456
- ▶ **Below market rate rental housing**
 - ▶ HB 581
- ▶ **Tangible personal property consisting of animal feed**
 - ▶ HB 623/HJR 47
- ▶ **Conforming changes**
 - ▶ HB 741

LIMITATIONS



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VALUE LIMITATIONS

- ▶ **2.5% cap on residence homesteads; adds cap for other property**
 - ▶ HB 664
- ▶ **3.5% cap on real property/commercial property**
 - ▶ HB 145/HJR 10, HB 665 and HB 868/HJR 57
- ▶ **5% cap on residence homesteads**
 - ▶ HB 32/HJR 6, HB 745/HJR 51 HB 794/HJR 55, HB 335/HJR 18
- ▶ **Changes residence homestead cap to real property**
 - ▶ HB 746
- ▶ **Repeals 10% cap; replaces with purchase price**
 - ▶ HB 295/HJR 14
- ▶ **20% cap on real property other than residence homesteads**
 - ▶ SB 152/SJR 18 and SB 178/SJR 19

TAX LIMITATIONS

- ▶ **Limits SD taxes for property owned for 15 years with 120% tax increases**
 - ▶ HB 117/HJR 19
- ▶ **Extends limitation to all taxing units and disabled persons spouses**
 - ▶ HB 402/HJR 21 and HB 707/HJR 49
- ▶ **Extends limitation to all taxing units**
 - ▶ HB 481/HJR 30

APPRAISAL DISTRICT OPERATIONS



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APPRAISAL DISTRICT

- ▶ **Elected chief appraisers**
 - ▶ HB 808
- ▶ **Legislative Rumbblings**
 - ▶ Taxpayer Liaison Officer expanded duties
 - ▶ Ombudsman
 - ▶ Remove postcard/bold language on notices
 - ▶ Beef up electronic messaging and payments
 - ▶ Website maintenance and updates

BOARD OF DIRECTORS

- ▶ **HB 809**
 - ▶ Elected board of directors
 - ▶ County tax assessor-collector serves as non-voting member
 - ▶ Serve two-year terms
- ▶ **Legislative Rumbblings**
 - ▶ Expand mandatory board of directors training
 - ▶ Recall of board of director members
 - ▶ Add tax assessor-collectors as voting members

APPRAISAL REFORM



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APPRAISAL REFORM

- ▶ **Residence homestead appraisal**
 - ▶ HB 84
- ▶ **Excludes ADA improvements from value**
 - ▶ HB 543/HJR 42
- ▶ **Excludes from consideration**
 - ▶ HB 774/HJR 52

AG APPRAISAL



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AG APPRAISAL

- ▶ **Net to land calculation**
 - ▶ HB 260
- ▶ **Interim study of ag land appraisal**
 - ▶ HB 267
- ▶ **Repeal rollback**
 - ▶ HB 449/HJR 28
- ▶ **Lowers eligibility requirement to 2 years**
 - ▶ HB 634/SB 262

APPRAISAL REVIEW BOARDS



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APPRAISAL REVIEW BOARDS

- ▶ **Appraisal roll changes**
 - ▶ HB 523
- ▶ **ARB database**
 - ▶ HB 796
- ▶ **ARB member selection**
 - ▶ HB 810
- ▶ **Comps for unequal appraisal**
 - ▶ SB 102

APPRAISAL REVIEW BOARDS

- ▶ **Legislative Rumbblings**
 - ▶ Expanded ARB Training
 - ▶ ARB Independence
 - ▶ ARB Hearing Dismissals
 - ▶ ARB Selection
 - ▶ Electronic Messaging
 - ▶ Agent Authorization
 - ▶ Settlements and Waivers

ARBITRATION



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LEGISLATIVE RUMBLINGS

- ▶ **Regular Binding Arbitration**
 - ▶ Electronic system processing
- ▶ **Limited Binding Arbitration**
 - ▶ Expand LBA remedies
 - ▶ Multiple properties in one request

TAX RATES



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ELECTIONS

- ▶ **Bond elections in November**
 - ▶ HB 187
- ▶ **Prohibits issuing debt for tangible personal property**
 - ▶ HB 451
- ▶ **Bond elections in November**
 - ▶ HB 863

TAX RATES

- ▶ **Prohibits school district M&O**
 - ▶ HB 29
- ▶ **TNT notice requirements**
 - ▶ HB 159
- ▶ **Legislative Rumbblings**
 - ▶ De Minimus Rate
 - ▶ Unused Increment Rate

TAX RATE CALCULATION FORMS

- ▶ **Legislative Rumblings**
 - ▶ Clarification language
 - ▶ Website posting

COLLECTIONS



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COLLECTIONS

- ▶ **Installment Payments**
 - ▶ HB 35
- ▶ **Interest rate during deferral/abatement**
 - ▶ HB 721
- ▶ **Penalty and interest for deferral of appreciating homestead**
 - ▶ HB 740
- ▶ **Homesteads cannot be seized for taxes**
 - ▶ HJR 29

MISCELLANEOUS



OUTLOOK
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ANTI-LOBBYING

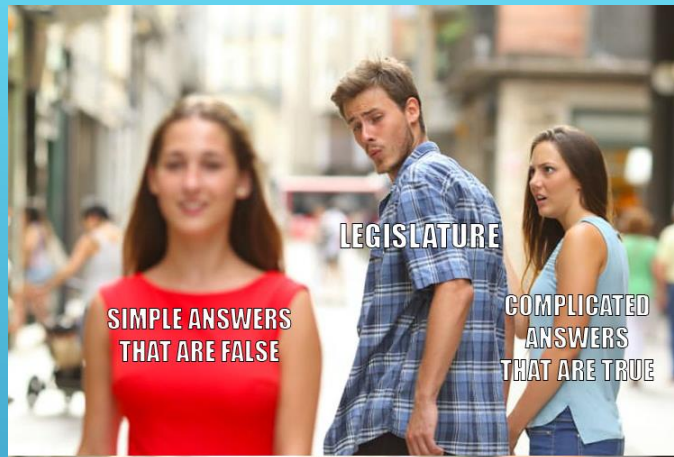
- ▶ **Exempts certain attorneys from registration**
 - ▶ HB 163
- ▶ **Requires lobby expenditures to be approved**
 - ▶ HB 170
- ▶ **Prohibits spending public funds on lobbying**
 - ▶ SB 175
- ▶ **Requires individual reports on expenditures over 30% of allowed per diem**
 - ▶ SB 214
- ▶ **Prohibits certain lobbyist from holding elective offices**
 - ▶ SB 215
- ▶ **Requires 5 years of registration reports online**
 - ▶ SB 216

OPEN MEETINGS

- ▶ **New public access, notice and broadcast requirements**
 - ▶ SB 42
- ▶ **10 non-business holidays each year**
 - ▶ SB 43
- ▶ **Gov't use of electronic information or record keeping systems cannot impeded public access**
 - ▶ SB 45

MISCELLANEOUS

- ▶ **Mandatory sales price disclosure of commercial and industrial real property**
 - ▶ HB 234
- ▶ **Address confidentiality of US customs and border patrol agents**
 - ▶ SB 96
- ▶ **No firearms permitted signage**
 - ▶ SB 253
- ▶ **Periodic review of state and local tax preferences**
 - ▶ SB 103/SJR 14



LEGISLATURE

**SIMPLE ANSWERS
THAT ARE FALSE**

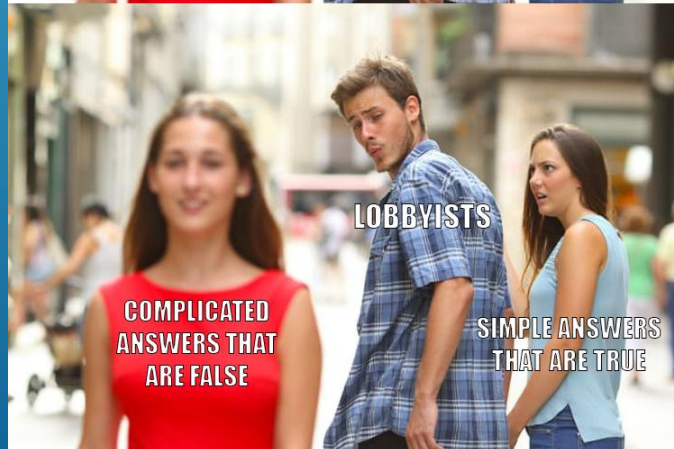
**COMPLICATED
ANSWERS
THAT ARE TRUE**



**POLICY
EXPERTS**

**COMPLICATED
ANSWERS
THAT ARE TRUE**

**SIMPLE ANSWERS
THAT ARE FALSE**



LOBBYISTS

**COMPLICATED
ANSWERS THAT
ARE FALSE**

**SIMPLE ANSWERS
THAT ARE TRUE**

QUESTIONS?



**OUTLOOK
IS
GOOD**



THANK YOU!

Several thin, white, parallel lines are drawn diagonally across the bottom right corner of the blue background, extending from the right edge towards the center.