

LOVING COUNTY APPRAISAL DISTRICT

2015 ANNUAL REPORT

Loving County Appraisal District is a political subdivision of the State of Texas. The district boundaries are the same as those of Loving County. The appraisal district is responsible for appraising property in Loving County for ad valorem tax purposes. The taxing entities served by the appraisal district are Loving County, Wink-Loving ISD, and Loving County Water Improvement District #1 (Loving Co WID #1).

The mission statement of the district is "to serve the citizens and taxing units of Loving County by providing lawful, equitable and accurate appraisals of all property in Loving County and by responding to the concerns and questions of those citizens and taxing units in a professional and courteous manner."

The provisions of the Texas Property Tax Code govern the legal, statutory, and administrative requirements of the appraisal district. Annual reporting is in accordance with the comptroller, state law and USPAP. All existing manuals were updated in accordance with comptroller standards. New policies and procedures were implemented as deemed necessary to comply with law or to improve district operations and customer service.

Training to improve district operations and customer service was attended by all district staff. This included online training, outside customer service training and comptroller approved training through tax professional organizations.

2015 Board of Directors

The appraisal district is governed by a five member board of directors. In compliance with a resolution signed by Loving County and Wink-Loving ISD the board is appointed by the Loving County Commissioners Court.

Harlan Hopper – Chairman

Bill Wilkinson

Phyllis Young – Secretary

Raymond Wildman

Ysidro Renteria

2015 Agricultural Advisory Board

The appraisal district has a three member agricultural advisory board. The chief appraiser appoints the members of the agricultural board with the advice and consent of the board of directors. The agricultural board advises the chief appraiser on the valuation and use of land that may be designated for agricultural use or that may be open space agricultural.

Tom Jones – Chairman

Punk Jones

Roy O Lindsay Jr

2015 Appraisal District Staff and Certifications

The appraisal district staff consists of three persons. The district contracts to assess and collect ad valorem taxes for Loving County. The appraisal of property is contracted out to the valuation firm of Pritchard and Abbott Inc.

Sherlene Burrows – Chief Appraiser

Registered Professional Appraiser

Registered Texas Assessor-Collector

Certified Tax Administrator

Alicia McGehee – Appraiser Trainee / Administrative Assistant

Carl Gilbreath – Appraiser

Registered Professional Appraiser

Registered Texas Assessor-Collector

Certified Tax Administrator

LOVING COUNTY APPRAISAL DISTRICT

2015 APPRAISAL DATA

Loving County is a rural, sparsely populated area. The 2010 census lists the population of the county as 82. There has been some growth in the residential and commercial areas. There were three newly constructed residential properties and two newly constructed commercial business properties in 2015. Oil and gas properties continue to make up the majority of the taxable properties in the county.

Building permits are not issued in Loving County. The identification of new construction is performed by field appraisers driving the county, property owner information and sheriff's office information.

Drought conditions continue throughout the state but there has been improvement in Loving County. Tax Code Section 23.522 specifically permits a landowner to cease agricultural use of property during declared droughts without losing the open space designation. We are working with our qualified owners to monitor their return to standard operating procedures.

In 2015 the Loving County Appraisal District (Loving CAD) reappraised all property in Loving County. Loving CAD contracted with Pritchard and Abbott Inc. to conduct the appraisal of approximately 2,358 real and personal accounts and 16,955 mineral and industrial accounts. The property types appraised included residential, vacant land, rural lands, personal property, commercial, business personal property, mineral interests, utilities and pipelines. Loving CAD prepared and mailed Notices of Appraised Value to 4,928 property owners.

The entities served by Loving CAD and the values assessed to each were as follows:

<u>Entity</u>	<u>Parcel Count</u>	<u>Certified Market Value</u>	<u>Certified Supplemental</u>	<u>Taxable Value</u>
Loving County	19,313	\$1,149,565,420	\$ 21,173,869	\$1,121,744,720
Wink-Loving ISD	19,313	\$1,133,074,780	\$ 0	\$1,083,696,880
Loving County WID #1	715	\$ 5,723,410	\$ 0	\$ 5,244,480

Market Value by Property Type

<u>Type</u>	<u>Description</u>	<u>Count</u>	<u>Market Value before Exemptions</u>
A	Single Family Residential	39	608,810
C1	Vacant Lots	127	73,270
D1	Qualified Open Space Land	1,074	18,667,740
D2	Farm & Ranch Imp on Open Space Land	16	173,520
E	Rural Land, Not Qualified Open Space Appraisal, & Residential Improvements	970	2,935,960
F1	Commercial Real Property	11	555,420
F2	Industrial Real Property	1	129,750
G	Oil & Gas Properties	13,892	805,242,100
J	Utilities Properties	638	157,592,370
L1	Business Personal Property	17	5,530,660
L2	Industrial Personal Property	226	134,794,510
M	Mobile Homes	12	165,950
X	Exempt Property	2,290	23,095,360

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2015 EXEMPTION DATA

<u>Exemption Type</u>	<u>Loving County</u>	<u>Wink-Loving ISD</u>	<u>Loving Co WID #1</u>
Homestead	N/A	25,000	N/A
Over 65 or Disabled	N/A	10,000	N/A
Local Optional HS	N/A	20%/\$5000 min	N/A
Local Opt Over 65 or Disabled	3,500	N/A	N/A

<u>Disabled Veteran Exemptions</u>	<u>Amount</u>	<u>Percentage</u>
DVHS (Homestead)	Totally Exempt	100%
DV1 (any 1 property)	5,000	10 – 29 %
DV2 (any 1 property)	7,500	30 – 49 %
DV3 (any 1 property)	10,000	50 – 69 %
DV4 (any 1 property)	12,000	70 – 100%

In 2015 the types of exemptions, number of exemptions and total dollar amounts of exemptions granted by the local taxing entities were as follows:

<u>Taxing Jurisdiction</u>	<u>Exemption</u>	<u>Amount</u>	<u># Granted</u>
Loving County	Local O-65	\$ 10,500	3
Wink-Loving ISD	Local HS	\$ 54,550	6
	Mandated HS	\$304,970	17
	Mandated O-65/D	\$ 12,230	2
Loving County WID #1	None		

SJR1 proposed by the 84th Legislature and approved by the voters of Texas on November 3rd, increased the amount of the residence homestead from ad valorem taxation for public school purposes from \$15,000 to \$25,000.

LOVING COUNTY APPRAISAL DISTRICT

2015 TAX ASSESSMENT-COLLECTIONS

Loving CAD contracts to assess and collect ad valorem taxes for Loving County. Loving CAD had an average collection rate of 96%. Delinquent taxpayers may enter into a monthly payment plan with Loving CAD to assist with the payment of delinquent taxes. In 2015 the CAD issued approximately 996 tax certificates.

	M&O	R&B	I&S			
<u>2015 Tax Rates</u>	<u>Rate</u>	<u>Rate</u>	<u>Rate</u>	<u>2015 Levy</u>	<u>Supplemental</u>	<u>Total Levy</u>
Loving County	.6552	.0382	.2970	\$10,900,257	\$ 209,706	\$11,109,963
Loving Co WID #1	.4900	N/A	N/A	\$ 25,698	\$ 0	\$ 25,698
Wink-Loving ISD	1.0400	N/A	.28	\$14,304,799	\$ 0	\$14,304,799

Ad Valorem Collections for Loving County

Collections for the period October 1, 2014 through September 30, 2015

Current taxes collected	\$11,231,150.07
Delinquent taxes collected	790,173.00
Penalty & interest collected	43,402.82

Delinquent Taxes

Delinquent taxes as of 09/30/2015	\$ 541,223.84
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LOVING COUNTY APPRAISAL DISTRICT

2015 RATIO STUDY ANALYSIS

The results of the 2015 study are reflected in the recommendations of the appraiser.

Category A - Based on last year's increase and lack of market transactions for 2015 no recommendation was given. Sales will continue to be monitored and when market transactions become available schedules will be updated as necessary.

Category C - As in previous years, market sales are very limited, and cannot indicate a market trend, therefore no class adjustments were recommended.

Category D - The number of arms-length transactions for 2015 is very limited. Based on analysis no recommendation was given.

Category F - Not enough information to track any trend or give any recommendation.

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2015 BIENNIAL PROPERTY VALUE STUDY or METHODS and ASSISTANCE PROGRAM

PTAD (Property Tax Assistance Division of the Comptroller's Office) alternates between a Property Value Study (PVS) and a Methods and Assistance Program (MAP) review for each CAD. Loving CAD has its PVS in even numbered years and its MAP reviews in odd numbered years.

The PVS is conducted to determine the degree of uniformity of and the median level of appraisals by the appraisal district and to determine the taxable value of property for school funding purposes.

The MAP reviews the governance of the appraisal district, taxpayer assistance provided, and the operating and appraisal standards, procedures, and methodology used to determine compliance with generally accepted standards, procedures, and methodology.

2014 PVS Study – CAD received local value.

Coefficient of dispersion (the lower the COD, the greater uniformity in appraised values) -	12.55
Median level of appraisal (the overall level of appraisals) -	.98

2015 MAP Review

The district had its biennial MAP review in 2015. The MAP reviews the governance of the appraisal district, taxpayer assistance provided, and the operating and appraisal standards, procedures, and methodology used to determine compliance with generally accepted standards, procedures, and methodology. The comptroller's office submits recommendations that will allow the district to comply with laws, rules, regulations, appraisal practices or operating best practices. Recommendations must be implemented within one year. There were five mandatory pass/fail questions and four major areas of importance. In the comptroller's preliminary report dated September 09, 2015 the district had no recommendations that needed to be completed. The district's scoring was as follows:

• Mandatory Requirements (pass/fail)	Pass	
1. Does the appraisal district have up-to-date appraisal maps?		Pass
2. Is the implementation of the appraisal district's most recent reappraisal plan current?		Pass
3. Does the appraisal district comply with its written procedures for appraisal?		Pass
4. Are values reproducible using the appraisal district's written procedures and appraisal records?		Pass
• Governance	Meets All	100
• Taxpayer Assistance	Meets All	100
• Operating Procedures	Meets All	100
• Appraisal Standards, Procedures and Methodology	Meets All	100

Appraisal District Ratings:

- Meets All – Total point score is 100.
- Meets – Total point score ranges from 90 to less than 100.
- Needs Some Improvement – Total point score ranges from 85 to less than 90.
- Needs Significant Improvement – Total point score ranges from 75 to less than 85.
- Unsatisfactory – Total point score is less than 75.

There are no pending recommendations that need to be addressed.

LOVING COUNTY APPRAISAL DISTRICT

2015 APPEAL DATA

Loving CAD has an open door policy and works very well with the taxpayers and entities it serves. The CAD staff takes the time needed to listen to the property owners concerns, explain to property owners how the appraisal and appeal process works and to answer any questions allowed by law. If the staff cannot answer a question or is not allowed to address an issue the property owner is directed to the chief appraiser or the appraiser responsible for the property type in question. Most property owner issues are settled without the need of formal appeal. If the property owner and appraisal district cannot come to an agreement then a formal hearing before the Appraisal Review Board (ARB) is scheduled.

The ARB is a quasi-judicial body appointed by the Loving CAD Board of Directors. The ARB is empowered to equalize values of all properties in the appraisal district in relation to fair market value and to hear taxpayer appeals through hearings for those that dispute their value or other issues affecting the taxpayer. The ARB is charged with the function of providing an impartial review of the appraisal records prepared by the appraisal district. The ARB does not work for the appraisal district but rather, they arbitrate between the taxpayer and the appraisal district to settle any disputes they are allowed by law to address.

2015 ARB Members

Mary Haley - Chairman

Erin Walker - Secretary

Donald Creager - Member

Real Property – Protests filed	4		
• Informal Withdrawals	2		
• Informal Settlements/Waivers	0		
• No Shows	2		
• Formal Hearings	0 Affidavit	0 Personal	
Mineral/Industrial – Protests filed	54		
• Informal Withdrawals	11		
• Informal Settlements/Waivers	17		
• No Shows	19		
• Formal Hearings	7 Affidavit	0 Personal	
District Court – Appeals filed	2		
• Real Property	0		
• Mineral/Industrial	2		

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2015-2016 LEGISLATIVE CHANGES

The following are some of the changes made by the 84th Legislature to the Texas Property Tax Code.

Section 1.07 amended to add three notices required to be delivered by certified mail:

- 11.13 notice of cancellation of resident homestead exemption received by person age 65 or over;
- 23.46(f) notice of cancellation of agricultural designation of person age 65 or over;
- 23.551(a) notice of cancellation of open-space appraisal of person age 65 or over.

Section 1.111(a-1) added to provide that a lessee designated by property owner as owner's agent may, subject to owner's approval, designate a person to act as lessee's agent for any purpose under Property Tax Code for which the lessee is authorized to act on behalf of owner in connection with owner's property. Lessee's agent has same authority and is subject to same limitations as an agent designated by property owner.

Section 5.07 (d) and (e) added to provide that a property tax form may be signed by means of an electronically captured handwritten signature. A property tax form is not invalid or unenforceable solely because it is a photocopy, facsimile, or electronic copy of original.

Section 5.091 added to require the Comptroller to annually prepare a list including the total tax rate imposed by each taxing unit, other than a school district, if the tax is reported to the Comptroller, for the tax year preceding the year in which the list is prepared.

Section 11.13(b) amended to increase residence homestead exemption from \$15,000 to \$25,000 for school districts; (n-1) added to prohibit the governing body of a school district, city, or county from repealing or reducing the amount of an optional percentage homestead exemption in effect for 2014 tax year until Jan. 1, 2020; (j)(1) amended to modify the definition of "residence homestead" to include those structures occupied by surviving spouse who has life estate in property; and (l) amended to provide that residential structure does not lose characteristic as residence homestead when owner temporarily stops occupying the structure if owner does not establish a different principal residence and the absence is caused by military service inside or outside the United States.

Section 11.131(c) amended to provide that the surviving spouse of disabled veteran who would have qualified for an exemption under 11.131(b) if that subsection had been in effect on the date the disabled veteran died, is entitled to an exemption from taxation of the total value of the same property to which the disabled veteran's exemption would have applied if the exemption had been authorized on the date the veteran died if otherwise qualified for the exemption.

Section 11.16(a) and (c) amended to specify that an egg, as defined in Agriculture Code 132.001, is a farm product for purposes of property tax exemption for farm products and to add eggs to the specified farm products that are considered to be in the hands of the producer if under the ownership of the person financially providing for the physical requirements of the farm product on Jan. 1.

Section 11.23(m) added to entitle the National Hispanic Institute to a property tax exemption of real and tangible personal property it owns as long as it is exempt from federal income taxation under Internal Revenue Code.

Section 11.26(a) amended to require tax official to reduce the tax ceiling of an individual who is at least 65 years of age or disabled to reflect the additional \$10,000 homestead exemption.

Section 11.43(c) amended to add three exemptions that once allowed, need not be claimed in subsequent years:

- exemptions under 11.27 for solar and wind-powered energy devices;
- exemptions under 11.23(a) for property owned by certain nonprofit veterans' organizations;
- exemptions under 11.23(m) for the National Hispanic Institute.

Section 11.43(c) amended to provide that if a person previously allowed a homestead exemption under 11.13 is 65 years or older, the chief appraiser may not cancel the exemption due to the person's failure to file a new application unless the chief appraiser complies with the requirements of subsection (q).

Section 11.43(h) is amended to provide that the following requirement is subject to subsection (q): If a chief appraiser determines that the property should not be exempt, the chief appraiser shall cancel the exemption and deliver written notice of the cancellation within five days after the date the exemption is cancelled.

Section 11.43(q) is added to prohibit a chief appraiser from cancelling an exemption under 11.13 that is received by an individual 65 years of age or older without first providing written notice of the cancellation to the individual receiving the exemption. The notice must include a form on which the individual may indicate whether the individual is qualified to receive the exemption and a self-addressed postage prepaid envelope with instructions for returning the form to the chief appraiser. The chief appraiser must consider the owner's response in his determination. If the chief appraiser does not receive a response on or before the 60th day after the date the notice is mailed, the chief appraiser may cancel the exemption on or after the 30th day after the expiration of the 60-day period, but only after making a reasonable effort to locate the individual and determine whether the individual is qualified to receive the exemption. Does not apply if exemption is cancelled because the chief appraiser determines the individual no longer owns the property subject to the exemption.

Section 11.431(b) amended to specify that a person is not required to apply for a property tax refund to receive a refund tied to a late homestead exemption application.

Section 11.48(a) and (b) amended to allow certain confidential information included in exemption application (driver's license number, personal identification certificate number, or social security number) to be released to an agent of the CAD who appraises property or performs appraisal services for the CAD.

Section 23.01(f) and (g) added to provide that the selection of comparable properties and the application of appropriate adjustments for the determination of an appraised value of property by any person under 41.43(b)(3) or 42.26(a)(3) must be based on the application of generally accepted appraisal methods and techniques and adjustments must be based on recognized methods and techniques that are necessary to produce a credible opinion. Provides that, notwithstanding any other provision of this section, property owners representing themselves are entitled to offer an opinion of and present argument and evidence related to the market and appraised value or the inequality of appraisal of the owner's property.

Section 23.175(a) amended to provide that, in some specified circumstances for purposes of appraising real property interest in oil or gas in place, the price adjustment factor is calculated based on the United States Energy Information Administration's(EIA's) most recently published edition of the Annual Energy Outlook, rather than the EIA's Early Release Overview of the Annual Energy Outlook. If on March 1 of the current calendar year the most recently published edition of the Annual Energy Outlook was published before Dec. 1 of the preceding calendar year, the chief appraiser will use for the price adjustment factor calculations the projected current and preceding calendar year specified prices as stated in EIA's Short-Term Energy Outlook report published in January of the current calendar year. For purposes of calculating the prices adjustment factor, references to the "price of imported low-sulfur light crude oil in nominal dollars" are replaced with "spot price of West Texas Intermediate crude oil in nominal dollars per barrel" and "spot price of natural gas at the Henry Hub in nominal dollars" are replaced with "spot price of natural gas at the Henry Hub in nominal dollars per million British thermal units."

Section 23.43(d) amended to provide that the application form for agricultural designation must provide a space to state the claimant's date of birth. Failure to provide the date of birth does not affect the right to an agricultural designation.

Section 23.46(f) added to provide that if land designated for agricultural use is owned by an individual 65 years or older, before making a determination that the land has been diverted to a nonagricultural use, the chief appraiser is required to deliver a written notice to the owner stating that the chief appraiser believes the land may have been diverted to a non-agricultural use. The notice must include a form on which the individual may indicate that the owner remains entitled to have the land designated for agricultural use and a self-addressed postage prepaid envelope with instructions for returning the form to the chief appraiser. The chief appraiser must consider the owner's response in his determination. If the chief appraiser does not receive a response on or before the 60th day after the date the notice is mailed, the chief appraiser must make a reasonable effort to locate the individual and determine whether the owner remains entitled to have the land designated for agricultural use before determining that the land has been diverted to nonagricultural use. A reasonable effort includes sending another notice by any means the chief appraiser determines is appropriate.

Section 23.54(c) and (e) amended to provide that the application form for open-space appraisal must provide a space to state the claimant's date of birth. Failure to provide the date of birth does not affect the right to an agricultural designation. The authorization for a chief appraiser to require a person allowed open-space appraisal in a prior year to file a new application to confirm eligibility is subject to 23.551.

Section 23.55(e) amended to specify that the provision that a determination that a change in use of the land has occurred is made by the chief appraiser is subject to 23.551.

Section 23.551 added to provide that if open-space land is owned by an individual 65 years or older, before making a determination that a change in use of the land has occurred, the chief appraiser is required to deliver a written notice to the owner stating that the chief appraiser believes a change in use of the land may have occurred. The notice must include a form on which the individual may indicate that the land remains eligible to be appraised as open-space land and a self-addressed postage prepaid envelope with instructions for returning the form to the chief appraiser. The chief appraiser must consider the owner's response in his determination. If the chief appraiser does not receive a response on or before the 60th day after the date the notice is mailed, the chief appraiser must make a reasonable effort to locate the individual and determine whether the land remains eligible for open-space appraisal before determining that a change in use of the land has occurred. A reasonable effort includes sending another notice by any means the chief appraiser determines is appropriate.

Section 25.025(a) amended to provide that certain home address information is confidential if belonging to current or former TJJJD employee, current or former juvenile probation or supervision officer certified by TJJJD, and current or former employee of juvenile justice program or facility.

Section 25.027(a) and (b) amended to provide that prohibition on posting certain appraisal record information on the Internet applies to information that indicated the age of a property owner, including information indicating that a property owner is 65 years or older.

Section 25.19(a) and (b) amended to require a chief appraiser to send a notice of appraised value to a property owner if an exemption or partial exemption approved for the property for the preceding year was cancelled or reduced for the current year. Revises the notice of appraised value to include the kind and amount of each exemption approved for the property in the current and preceding year. If an exemption or partial exemption that was approved for the preceding year was cancelled or reduced for the current year, the notice must include the amount of the exemption or partial exemption cancelled or reduced.

Section 25.23(a-1) added to require the chief appraiser to prepare supplemental appraisal records that reflect a residence homestead exemption of \$25,000.

Section 26.04(a-1) and (c-1) added to require the assessor for a school district to determine the 2015 total taxable value of a school district's taxable value, including new property, based on a residence homestead exemption of \$25,000. Requires person designated by the governing body of a school district to calculate the effective and rollback tax rates for 2015 tax year based on a residence homestead exemption of \$25,000.

Section 26.05(b) amended to provide that for taxing units other than school districts at least 60 percent of the members of the governing body must vote to adopt a rate that exceeds the effective rate. For a school district, a vote setting a tax rate that exceeds the sum of the effective maintenance and operations rate and the current debt rate must be a record vote, and at least 60 percent of the members of the governing body must vote in favor of the ordinance, resolution, or order.

Section 26.06(d) amended to require that a taxing unit describe the purpose for which the increased taxes will be used in a notice of tax revenue increase.

Section 26.08(b) amended to require that the school district describe the purpose for which the increased taxes will be used in a school district tax rate ratification election ballot.

Section 26.09(c-1) added to require a school district assessor to calculate two 2015 tax amounts: the first based on a residence homestead exemption of \$15,000, and the second based on a residence homestead exemption of \$25,000.

Section 26.15(h) added to require a school district assessor to correct 2015 school district tax roll to reflect the results of the election to approve the constitutional amendment to grant the new \$25,000 homestead exemption and the reduced school district tax limitation.

Section 26.15(f) amended to provide that a property owner is not required to apply for a property tax refund to receive a refund tied to a tax roll correction that reduces a property owner's tax liability.

Section 31.01(d-2), (d-3), (d-4), and (d-5) added to require the assessor for a school district to:

- make the computations required based on a residence homestead exemption of \$25,000;
- indicate in the tax bill or separate statement that the tax bill is provisional;
- include a statement in the substantially prescribed form showing the tax amount if the legislature had not increased the residence homestead exemption, the amount of tax savings that result from the Legislature's action, and the reduced tax amount resulting from the Legislature's action, contingent on voter approval of SJR 1;
- state that a supplemental tax bill equal to the contingent tax savings will be sent if SJR 1 is not approved; and
- if constitutional amendment is not approved by voters, follow certain specified calculation, delivery, and delinquency procedures related to a supplemental tax bill mailed by Dec. 1, 2015 or as soon thereafter as practicable.

Section 31.02(a-1) added to provide that if a supplemental tax bill is mailed due to voters not approving SJR 1 homestead exemption increase, the taxes are due on receipt of the bill and are delinquent if not paid before March 1, 2016.

Section 31.031(a-1), (a-2) and (b) amended to provide the deadlines for installment payments on certain homestead taxes with delinquency dates of Feb. 1 and delinquency dates other than Feb. 1; provides that an eligible individual may pay taxes in four equal installments if first installment is paid and required notice is provided before the first day of first month after delinquency date; provides that an unpaid installment rather than unpaid amount is delinquent if payment is not made before the due date and the unpaid installment incurs a six percent penalty and interest as provided by 33.01(c). Subsection (d) is repealed.

Section 31.032(b) and (c) amended to provide the deadlines for installment payments of taxes on certain property in a disaster area with delinquency dates of Feb. 1 and delinquency dates other than Feb. 1; provides that an unpaid installment rather than unpaid amount is delinquent if payment is not made before the due date and the unpaid installment incurs a six percent penalty and interest as provided by 33.01(c). Subsection (e) is repealed.

Section 33.011(d) and (i) amended regarding waivers of penalty and interest to update references to 33.04(c).

Section 33.02(a) and (b-1) amended and (a-1) added to specify that the requirements of homestead installments for delinquent homestead taxes must extend for at least 12 months only to a residence homestead for which the person entering into the installment agreement has been granted an exemption under 11.13, rather than to any delinquent tax installment agreement. Subsection (f) added to provide that the collector for a taxing unit must deliver notice of default to a person who is in breach of an installment agreement and to any other owner of an interest in the property subject to the agreement whose name appears on the delinquent tax roll before the collector may seize and sell the property or file a suit to collect a delinquent tax subject to the agreement.

Section 33.04(b) amended to make minor changes to the required statement on the notice of delinquency. Subsection (c) is deleted.

Section 33.475 added concerning the reporting and payment of fees for a court appointed attorney ad litem in a suit to collect a delinquent tax on a defendant served by citation by publication or posting.

Section 34.01(a-1) added and (r) amended to permit commissioners court to adopt rules to govern an online auction and to authorize the officer charged with selling the property to conduct a public auction using online bidding and sale. Rules take effect on the 90th day after the date the rules are published in the county's real property records.

Section 34.011 added to authorize a commissioners court to require that, to be eligible to bid at a sale of real property, a person must be registered as a bidder with the county assessor-collector before the sale begins if the commissioners court by order has adopted the provisions of this section. The county assessor-collector may adopt rules governing the registration of bidders. The county assessor-collector may require a person registering as a bidder to:

- designate the person's name and address;
- provide valid proof of identification;
- provide written proof of authority to bid on behalf of another person, if applicable;
- provide any additional information reasonably required by the county assessor-collector; and
- at least annually execute a statement on a form provided by the county assessor-collector certifying that there are no delinquent property taxes owed by the person registering as a bidder to the county or to any taxing units having territory in the county.

A person is not eligible to bid at a sale of real property unless the county assessor-collector has issued a written registration statement to the person before the sale begins.

Section 41.45(h) amended to require the chief appraiser and the property owner or owner's agent, before or at the beginning of an ARB hearing, to provide each other with a copy of any material preserved on any portable device designed to maintain an electronic, magnetic, or digital reproduction of a document or image (as an alternative to a copy of any written material) that the person intends to offer or submit to the ARB at the hearing.

Section 41.45(o) added to require that if the chief appraiser uses audiovisual equipment at the hearing on a protest, the appraisal office provides the same general type of equipment for use during the hearing by property owner or owner's agent.

Section 41A.01 amended to raise the value on non-residence homestead property for which an appeal of certain ARB orders though binding arbitration can be filed from \$1 million or less to \$3 million or less.

Section 41A.03(a) amended to modify the deposit amount required to file for binding arbitration from \$500 to \$450 if the value of a homestead is \$500,000 or less, \$500 if the value of a homestead is greater than \$500,000, and for properties that do not qualify as residence homestead the amount ranges from \$500 to \$1,050 depending on the value of the property.

Section 41A.05(b) amended to modify the amount of the deposit the Comptroller may retain to cover administrative costs to \$50 rather than an amount equal to 10 percent of the deposit.

Section 41A.06(b) amended to require that to initially qualify to serve as an arbitrator a person must agree to conduct an arbitration for a fee that is not more than an amount ranging from \$400 to \$1,000 depending on whether the property qualifies as a residential homestead and depending on the appraised or market value (as applicable) of the property.

Section 42.227 added to permit a property owner or CAD that is a party to an appeal to district court to submit a written request for settlement discussions to the other party.

Section 42.23(i) added to permit a court to give preference to testimony, regarding excessive or unequal property appraisal, of a CAD employee who is authorized to appraise real estate under Occupations Code 1103.201.

Section 42.43(b) amended to modify the interest rate on a refund to a taxpayer after a court determination that lowers the taxpayer's tax bill. The new rate is an annual rate of 9.5 percent, rather than 2 percent plus the prime rate but not more than 8 percent.

TEXAS PROPERTY TAX CALENDAR

APPRAISAL PHASE

JANUARY 1 – MAY 15

- Lien attaches to property January 1 – lien extinguished when taxes paid to collectors.
- Appraisal District records property ownership and determines property value as of January 1.
- Appraisal District adds new records, removes old records and identifies property situs.
- Appraisal Districts review, approve or deny exemptions and special land use appraisals.
- Taxpayers submit renditions (required for business personal property).
- Chief Appraiser sends Notices of Appraised Value to taxpayers.

EQUALIZATION PHASE

MAY 15 – JULY 20

- Chief Appraiser presents records to Appraisal Review Board (ARB).
- ARB reviews records prepared by the Appraisal District.
- ARB hears taxing unit challenges and taxpayer protests.
- ARB presents changes based on hearings to the Chief Appraiser and notifies property owners by written order.
- ARB approves appraisal records by July 20.
- Chief Appraiser certifies appraisal roll to each taxing unit by July 25.
- Most changes to appraisal roll after certification must be reviewed by ARB.

ASSESSMENT PHASE

JULY 25 – OCTOBER 1

- Assessor receives certified appraisal roll from the Chief Appraiser and presents it to the taxing units governing body for review with budget preparation.
- Assessor calculates the effective and rollback tax rates.
- Taxing unit publishes the calculated rates and other financial information for taxpayer review.
- Taxing unit governing body holds public hearings, adopts tax rate and finalizes budget.
- Assessor calculates a bill for each taxpayer and mails by October 1 or as soon as practicable.

COLLECTION PHASE

OCTOBER 1 – COLLECTED

- Taxes due when bill received and delinquent if not paid by February 1.
- Collectors send supplemental bills based on updates and changes from the Appraisal District and the ARB.
- Tax bills mailed after January 10, delinquency date is the first day of the next month that provides at least 21 days after date of mailing for payment of taxes.
- Collectors send out delinquent bills and take legal action to secure payment of overdue taxes, penalties, and interest.