

# **LOVING COUNTY APPRAISAL DISTRICT**

## **2018 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.

#### **2018 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

Billy Hopper

Chris Busse

#### **2018 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

Punk Jones

Roy O Lindsay Jr

#### **2018 Appraisal District Staff and Certifications**

The appraisal district staff consists of three persons. 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

Tabatha Gilbert – Office Clerk

## LOVING COUNTY APPRAISAL DISTRICT

### 2018 APPRAISAL DATA

Loving County is a rural, sparsely populated area. The 2010 census lists the population of the county as 82. Oil and gas properties continue to be added to the roll and 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. There has not been any new residential construction for 2018. The oil and gas industry is seeing a boom leading to construction of new pipelines, compressor stations, gas plants, and related services.

Drought conditions have improved 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 have worked with our qualified owners to monitor their return to standard operating procedures.

In 2018 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 2,620 real and personal accounts and 24,087 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 6,524 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	26,707	\$3,839,308,740	\$ 598,808,770	\$4,329,512,990
Wink-Loving ISD	26,707	\$3,779,372,020	\$ 598,152,650	\$3,674,538,710
Loving County WID #1	810	\$ 32,977,250	\$ 0	\$ 29,754,650

#### Market Value by Property Type

<u>Type</u>	<u>Description</u>	<u>Count</u>	<u>Market Value before Exemptions</u>
A	Single Family Residential	44	651,330
C1	Vacant Lots	164	75,040
D1	Qualified Open Space Land	1,152	18,778,780
D2	Farm & Ranch Imp on Open Space Land	19	200,990
E	Rural Land, Not Qualified Open Space Appraisal, & Residential Improvements	1,045	2,930,740
F1	Commercial Real Property	18	4,048,940
F2	Industrial Real Property	8	119,349,670
G	Oil & Gas Properties	23,608	4,020,914,250
J	Utilities Properties	996	605,210,270
L1	Business Personal Property	34	22,740,610
L2	Industrial Personal Property	160	173,642,260
M	Mobile Homes	11	152,990
X	Exempt Property	1,839	88,435,450

**LOVING COUNTY APPRAISAL DISTRICT**

**2018 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 2018 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	\$ 24,500	7
Wink-Loving ISD	Local HS	\$ 13,240	2
	Mandated HS	\$278,260	14
	Mandated O-65/D	\$ 40,000	4
Loving County WID #1	None		

**LOVING COUNTY APPRAISAL DISTRICT  
2018 TAX ASSESSMENT-COLLECTIONS**

<u>2018 Tax Rates</u>	<u>M&amp;O</u> <u>Rate</u>	<u>R&amp;B</u> <u>Rate</u>	<u>I&amp;S</u> <u>Rate</u>	<u>2018 Levy</u>	<u>Supplemental</u>	<u>Total Levy</u>
Loving County	.2470	.0940	.1500	\$18,319,353	\$ 2,939,229	\$21,258,582
Loving Co WID #1	.4900	N/A	N/A	\$ 145,798	\$ 0	\$ 145,798
Wink-Loving ISD	1.0400	N/A	.2800	\$48,453,931	\$ 7,895,614	\$56,349,545

## LOVING COUNTY APPRAISAL DISTRICT

### 2018 RATIO STUDY ANALYSIS

The results of the 2018 study are reflected in the recommendations of the appraiser.

Category A – Due to the lack of arm's length market transactions for 2018, there was not enough information to recommend any increase or decrease to cost schedules. Sales will continue to be monitored and adjustments will be made when a representative sample of market sales is available.

Category C - As in previous years, arm's length transactions are very limited, and do not indicate a clear market trend, therefore no class adjustments were recommended. Sales will continue to be monitored and adjustments will be made when a larger sample becomes available.

Category D - As in previous years, arm's length transactions are very limited. Sales will continue to be monitored and adjustments will be made when a representative sample becomes available.

Category E - Not enough information to track any trend or give any recommendation. Sales will continue to be monitored and adjustments will be made when information becomes available.

**LOVING COUNTY APPRAISAL DISTRICT**

**2018 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.

**2016 PVS Study – CAD received local value.**

Coefficient of dispersion (the lower the COD, the greater uniformity in appraised values) -	7.48
Median level of appraisal (the overall level of appraisals) -	1.01

**2017 MAP Review**

The district had its biennial MAP review in 2017. 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 final report issued in January of 2018 the district had no recommendation 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. Are the appraisal district's records up-to-date and is the appraisal district following established procedures and practices in the valuation of property?		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.

## LOVING COUNTY APPRAISAL DISTRICT

### 2018 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.

#### 2018 ARB Members

Erin Walker – Chairman

Jaime Acker - Secretary

Roy Lindsay Jr - Member

<b>Local Property – Protests filed</b>	<b>7</b>		
• Informal Withdrawals	6		
• Informal Settlements/Waivers	1		
• No Shows	0		
• Formal Hearings	0 Affidavit	0 Personal	

<b>Mineral/Industrial – Protests filed</b>	<b>111</b>		
• Informal Withdrawals	25		
• Informal Settlements/Waivers	49		
• No Shows	34		
• Formal Hearings	3 Affidavit	0 Personal	

<b>District Court – Appeals filed</b>	<b>0</b>		
• Local Property	0		
• Mineral/Industrial	0		

<b>Arbitration – Appeals filed</b>	<b>0</b>		
• Local Property	0		
• Mineral/Industrial	0		



## 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.

## LOVING COUNTY APPRAISAL DISTRICT

### 2017-2018 LEGISLATIVE CHANGES

The following are some of the changes made by the 85<sup>th</sup> Legislature relating to property appraisal and taxation.

#### Exemptions

##### H.B. 150

**Amends/Enacts: §§11.132 and 33.06 Tax Code**

**Effective: January 1, 2018 (if H.J.R. 21 is approved by voters)**

##### H.J.R. 21

**Amends/Enacts: Art. VIII, §1-b Texas Constitution**

**Election November 7, 2018**

Current law provides an exemption for a homestead donated by a charitable organization to a disabled veteran at no cost to the veteran. This proposed constitutional amendment would expand the exemption to include a homestead sold by a charitable organization to a disabled veteran for less than its estimated market value. The bill would require that the property be sold to the veteran for no more than half of its value as estimated by the charitable organization. The veteran could pay with cash or give the charitable organization a note and a mortgage.

H.B. 150 is also discussed under the heading *Collections*.

##### H.B. 626

**Amends/Enact: §§11.431 and 11.439 Tax Code**

**Effective: September 1, 2017**

A homestead exemption application may be filed up to two years after the delinquency date for the tax year in question. A disabled veteran may file for an exemption under §11.22 up to five years after the delinquency date for the tax year in question. In either case, an appraisal district will have to notify the TAC within thirty days after granting an application, and the TAC will then have sixty days in which to pay any tax refund.

##### H.B. 1101

**Amends/Enacts: §11.43 Tax Code**

**Effective: January 1, 2018**

If a disabled veteran receives a total homestead exemption based on the V.A.'s determination that he has a permanent total disability, the appraisal district may not require the veteran to reapply for the exemption in a later year.

##### H.B. 2019

**Amends/Enacts: §§1.04, 11.432, 23.127, 25.08, and 32.03 Tax Code; §1201.010, 1201.205, 1201.206, and 1201.217 Occupations Code**

**Effective: September 1, 2017**

A homestead exemption application for a manufactured home will have to be accompanied by a sales purchase agreement *or other applicable contract or agreement* or the payment receipt showing that the applicant was the purchaser of the home or an affidavit to that effect. This bill is also discussed under the heading *Appraisals*.

##### H.B. 2228

**Amends/Enacts: §§11.4391, 21.09, 22.23, 41.11 and 41.44 Tax Code**

**Effective: January 1, 2018**

A property owner may not file an application for a Freeport exemption, even a late application, after June 15. This bill is also discussed under the headings *Appraisals* and *Appraisal Districts and ARBs*.

**S.B. 15**

**Amends/Enacts: §§11.134, 11.42, 11.43, 11.431, 26.10 and 26.112 Tax Code; §403.302 Government Code**  
**Effective: January 1, 2018 (if S.J.R. 1 is approved by voters)**

**S.J.R. 1**

**Amends/Enacts: Art. VIII, §1-b Texas Constitution**  
**Election November 7, 2018**

This proposed constitutional amendment and related bill would provide a total homestead exemption to the surviving spouse of a first responder killed or fatally injured in the line of duty. The surviving spouse would lose the exemption if she remarried. She could transfer the exemption in a fixed dollar amount from one homestead to another.

**S.B. 277**

**Amends/Enacts: §§312.0021 and 313.024 Tax Code**  
**Effective: September 1, 2017**

A property may not receive a tax abatement if a wind-powered energy device is installed on the property and if that device is within twenty-five nautical miles of a military aviation facility. The bill will not affect tax abatement agreements or devices already in existence. The bill will not apply to a device installed or constructed as part of an expansion or repowering of an existing project. This bill is also discussed under the heading, *Miscellaneous*.

**S.B. 1133**

**Amends/Enacts: §60.005 Water Code**  
**Effective: Immediately**

All property of a navigation district will be exempted from taxation. This bill may be unconstitutionally broad to the extent that it applies to property owned by a navigation district but not used for public purposes.

**S.B. 1345**

**Amends/Enacts: §11.18 Tax Code**  
**Effective: January 1, 2018**

The general charitable exemption will be expanded to include an organization that provides tax return preparation services and assistance with other financial matters to beneficiaries without regard to their ability to pay.

**S.B. 1969**

**Amends/Enacts: §11.23 Tax Code**  
**Effective: April 1, 2019**

This bill makes minor, non-substantive changes to the law exempting property of county fair associations.

### **Appraisals**

**H.B. 777**

**Amends/Enacts: §23.523 Tax Code**  
**Effective: Immediately**

Under certain circumstances, a member of the armed services can keep an open-space agricultural appraisal even if his land temporarily ceases to qualify. The person will have to show that: 1) he was deployed or stationed outside Texas; and 2) he intends to restore the land's qualifications for the ag appraisal within 180 days after returning. He will have to notify the appraisal district no later than 30 days after being deployed. The bill does not say what happens if a returning soldier fails to restore his land's qualifications for the agricultural appraisal.

**H.B. 2019**

**Amends/Enacts: §§1.04, 11.432, 23.127, 25.08 and 32.03 Tax Code; §1201.010, 1201.205, 1201.206, and 1201.217 Occupations Code**  
**Effective: September 1, 2017**

This voluminous bill would make many changes to statutes concerning manufactured homes. The TDHCA document now called a statement of ownership and location will be changed to a statement of ownership. The copy filed in the

deed records to turn a home into real property will not have to be certified. A landowner applying for a statement for a home abandoned on his land will have to provide an affidavit stating that the name of the person to whom title will be transferred is the same name listed in the real property or tax records indicating the current ownership of the land. In connection with an application for a statement of ownership for a used home that was not in a retailer's inventory or that is being converted from personal property to real property, the statement required from the TAC will have to indicate that with respect to each January 1 occurring in the eighteen-month period preceding the sale, there were no *perfected and enforceable* taxes due that *had not been extinguished and canceled* on the home. The TDHCA will not issue the statement of ownership without receiving the TAC's statement.

The TDHCA will maintain a searchable Internet database of information regarding manufactured home ownership records, lien records, installation records, license holder records, manufacturers' monthly shipment reports, and enforcement actions. The database will include all lien information on statements of ownership. The TDHCA's reports to chief appraisers will also be posted on the Department's website.

For purposes of the sales-based tax on retail manufactured housing inventories, the definition of inventory will be the same definition found in the Occupations Code, i.e., new and used manufactured homes that: 1) a retailer has designated as the retailer's inventory for sale pursuant to the process implemented by the TDHCA; and 2) are not used as residential dwellings when designated as inventory. An appraisal district will have to appraise those homes as manufactured-housing inventory.

This bill is also discussed under the heading *Exemptions*.

**H.B. 2228**

**Amends/ Enacts: §§11.4391, 21.09, 22.23, 41.11, and 41.44 Tax Code**

**Effective: January 1, 2018**

A property owner claiming interstate allocation will have to file its application before April 1. If the property was not appraised in the preceding year, the deadline for application would be the 30th day after the date the owner receives a notice of appraised value. A chief appraiser may extend the deadline up to thirty days for good cause.

In a county where one or more taxing units allow the Freeport exemption, property owners will have to file their renditions no later than April 1, although, if a property owner requests more time, the appraisal district will have to extend the deadline until May 1. The district may extend the deadline another 15 days for good cause. Renditions for property regulated by the Public Utility Commission, the Railroad Commission, the Federal Surface Transportation Board, or the Federal Energy Regulatory Commission must be filed no later than April 30. A chief appraiser may extend the deadline by fifteen days for good cause.

This bill is also discussed under the headings *Exemptions* and *Appraisal Districts and ARBs*.

**H.B. 3103**

**Amends/Enacts: §11.01 Tax Code**

**Effective: Immediately**

This bill seems intended to provide some guidance concerning when property becomes taxable in Texas as a result of being used here continually. Property will be taxable if it is used in Texas three or more times on regular routes or for three or more completed assignments occurring in close succession throughout the year. Assignments will be considered to be in close succession if they occur "in sequence within a short period at intervals from the beginning to the end of the year."

**S.B. 526**

**Amends/Enacts: §§23.52 and 23.73 Tax Code**

**Effective: September 1, 2017**

**S.B. 594**

**Amends/Enacts: §§23.52 and 23.73 Tax Code**

**Effective: January 1, 2018**

Current law requires the governor and several other high-level state officials to review and approve any revisions of the comptroller's agricultural and timber appraisal manuals. Under these bills, a revision of the ag manual will require the "review and counsel" of only the Department of Agriculture. A revision of the timber manual will require the "review and counsel" of only the Texas A&M Forest Service.

**S.B. 1459**

**Amends/Enacts: §§23.524 Tax Code**

**Effective: Immediately (applies to agreements signed after May 19, 2017)**

A citrus grower will not lose his open space agricultural appraisal if he temporarily ceases to use his land to the degree of intensity generally accepted in the area and if he is fighting a pest infestation under an agreement with state or federal authorities. The grower can keep the ag appraisal for up to five years under those conditions.

**Appraisal Districts and ARBs**

**H.B. 455**

**Amends/Enacts: §41.45 Tax Code**

**Effective: September 1, 2017 for protests filed after that date**

A property may appear for his ARB hearing and present his *arguments* to the ARB by telephone. The property owner may not present *evidence* via telephone. His evidence will have to come in the form of a written affidavit. A property who wants to appear by telephone must have to notify the ARB at least ten days before his hearing. An ARB may propose that a property owner appear by telephone, but it may not compel the owner to do so. The ARB will have to have speaker phone or other equipment that will allow everyone in the hearing room to hear the property owner.

**H.B. 804**

**Amends/Enacts: §41.413 Tax Code**

**Effective: September 1, 2017**

This bill concerns a lessee contractually obligated to pay the taxes on leased property. The property owner receiving a notice of appraised value will have ten days in which to send a copy to the lessee. The owner will not have to send the copy if the lessee waives that right in the lease or if the lease prohibits the lessee from filing a protest. If a lessee demonstrates to the appraisal district that the lessee is contractually responsible for the taxes, the district will have to send the lessee a copy of the notice within five days of sending it to the property owner. The duplicate notice will not be necessary if the district posts the appraised value of the property on its website within that five days. The bill also recognizes the right of a lessee to appoint an agent.

**H.B. 2228**

**Amends/Enacts: §§11.4391, 21.09, 22.23, 41.11 and 41.44 Tax Code**

**Effective: January 1, 2018**

Protests would have to be filed no later than May 15 or thirty days after the delivery of appraisal notices, whichever were later. There would no longer be a separate deadline for protests concerning homesteads. This bill is also discussed under the headings *Exemptions* and *Appraisals*.

**S.B. 945**

**Amends/Enacts: §25.25 Tax Code**

**Effective: Immediately**

At any time, a chief appraiser can correct an erroneous denial or cancellation of: a homestead exemption if the homeowner is disabled or over 65 or the surviving spouse of someone disabled or over 65; a severely disabled veteran's homestead exemption; or another disabled veteran's exemption.

**S.B. 1286**

**Amends/Enacts: §§41.45, 41A.061 and 41A.07 Tax Code**

**Effective: September 1, 2017**

The comptroller will create rules governing the exchange and presentation of electronic evidence at ARB hearings. Those rules will also address audiovisual equipment made available for use by property owners and their agents. This bill is also discussed under the heading *Appraisal District litigation and Arbitration*.

**S.B. 1767**

**Amends/Enacts: §§25.25, 41.47 and 41.66 Tax Code**

**Effective: January 1, 2018**

In an ARB hearing, the property owner will be able to choose whether to present her case before or after the appraisal district presents its case.

## Appraisal District Litigation and Arbitration

### S.B. 731

**Amends/Enacts: §§41A.01, 41A.03 and 41A.06 Tax Code**

**Effective: September 1, 2017**

A property appraised at up to \$5 million may be the subject of an appeal through binding arbitration. If the property is appraised at more than \$3 million and is not the owner's homestead, the deposit required for the arbitration will be \$1,550 and the arbitrator's fee will be \$1,500.

### S.B. 1286

**Amends/Enacts: §§41.45, 41A.061 and 41A.07 Tax Code**

**Effective: September 1, 2017**

Parties to an arbitration will no longer be given the opportunity to select their arbitrator; the comptroller will simply appoint one. The comptroller will have to appoint an arbitrator who lives in the county or, if there were no arbitrator in the county, an arbitrator who lives somewhere in Texas. An arbitrator may not handle cases from a county if, during the preceding five years, she has: 1) acted as a tax consultant in the county; 2) been an officer or employee of that county's appraisal district; or 3) served on that county's ARB. The comptroller may refuse to assign cases to an arbitrator for good cause including repeated bias or misconduct by the arbitrator. An arbitrator may also be removed from the comptroller's registry for repeated bias or misconduct. This bill is also discussed under the heading *Appraisal Districts and ARBs*.

## Assessment

### H.B. 3198

**Amends/Enacts: §23.55 Tax Code**

**Effective: September 1, 2017**

Land will not cease to qualify for open-space ag appraisal merely because a lessee under an oil and gas lease begins conducting oil and gas operations (under the Railroad Commission's jurisdiction) on the land if the portion of the land on which oil and gas operations are not being conducted otherwise continues to qualify.

## Collections

### H.B. 150

**Amends/Enacts: §§11.132 and 33.06 Tax Code**

**Effective: January 1, 2018**

The interest rate on deferred taxes will be lowered from eight percent to five percent. This bill is also discussed under the heading *Exemptions*.

### H.B. 217

**Amends/Enacts: §33.06 Tax Code**

**Effective: September 1, 2017**

The right to defer the collection of taxes on a homestead will extend to disabled veterans, specifically any property owner qualified to receive an exemption under §11.22.

### H.B. 1128

**Amends/Enacts: §§34.01 and 34.07 Tax Code**

**Effective: September 1, 2017**

A tax sale of real property, other than an online sale, will have to take place between 10 a.m. and 4 p.m. on the first Tuesday of a month. If the first Tuesday falls on January 1 or July 4, the sale will occur on the following Wednesday. An online sale may begin at any time and must conclude at 4 p.m. on the first Tuesday of a month (Wednesday if the first Tuesday falls on January 1 or July 4).

**H.B. 1346**

**Amends/Enacts: §23.1242 Tax Code**  
**Effective: September 1, 2017**

A heavy equipment dealer will have until the 20<sup>th</sup> of each month to file its monthly statement concerning its sales during the preceding month and to make its monthly pre-payment of inventory taxes.

**H.B. 2989**

**Amends/Enacts: §26.15 Tax Code**  
**Effective: Immediately**

If a change to a tax roll results in a refund being due, the TAC will pay the refund to the property owner who paid the tax, not to a new owner.

**H.B. 3389**

**Amends/Enacts: §33.73 Tax Code**  
**Effective: September 1, 2017**

This bill concerns delinquent-tax suits heard by tax masters. It will require the district clerk to collect the fees taxed as costs of suit and award the fees to the master regardless of the disposition of the suit. But fees will not be collected or paid in a suit dismissed by the master unless he has: 1) held at least one hearing; or 2) spent an amount of time preparing for the suit that is equivalent to the time typically required to conduct a hearing.

**S.B. 492**

**Amends/Enacts: §130.006 Local Government Code**  
**Effective: Immediately**

A county TAC can turn bad checks and dishonored credit card invoices over to a private collection agency. The agency can charge the deadbeat a bad-check fee of between \$15 and \$30.

**S.B. 1047**

**Amends/Enacts: §§31.031 and 31.032 Tax Code**  
**Effective: January 1, 2018**

This bill makes some technical revisions and corrections to laws that allow some property owners to pay their taxes in installments. People with the right to pay their homestead taxes in installments will include: 1) disabled homeowners and those over sixty-five who qualify for the \$10,000 school-tax exemption; and 2) disabled veterans (and surviving spouses) who qualify for disabled veterans' exemptions.

The bill also addresses installment payments on properties damaged by disasters. The ordinary delinquency dates for the four installments are February 1, April 1, June 1 and August 1. The first payment must be accompanied by a notice explaining that the taxes will be paid in installments. A taxpayer will have this option even if the first payment is made in the month following the first delinquency date.

**School Finance and Value Studies**

**S.B. 1353**

**Amends/Enacts: §§13.054 and 41.002 Education Code**  
**Effective: Immediately**

The calculation of the wealth limitation imposed on a school district under §41.002(e) and (g) is changed by substituting 1.17 for the old figure of 1.5.

The bill could also provide some additional state money to a school district that annexes an academically unacceptable district.

**H.B. 21****Amends/Enacts: §§12.106, 13.054, 29.026, 29.027, 42.103, 42.451 - 42.460, 42.602-42.609, and 46.032****Education Code****Effective: September 1, 2017**

This bill provides some grant money and ASATR (Additional State Aid for Tax Reduction) hold-harmless to some school districts, but it would not change the way that school districts assess or collect taxes.

This bill will create the Texas Commission on Public School Finance to study current methods of financing public education and to develop recommendations for improvements. The Commission will consist of: 1) four members appointed by the governor; 2) four members appointed by the lieutenant governor; 3) four members appointed by the speaker of the house; and 4) a member of the State Board of Education selected by the Board's chair. The Commission will present its recommendations in advance of the legislature's 2019 regular session.

**Miscellaneous****H.B. 457****Amends/Enacts: §25.025 Tax Code****Effective: Immediately**

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units will be expanded to include the spouse or surviving spouse of a current or former peace officer, and the adult child of a current peace officer.

**H.B. 1278****Amends/Enacts: §25.025 Tax Code, §§552.117 and 552.117 Government Code.****Effective: Immediately**

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units is expanded to include and current or former district attorneys, criminal district attorneys and county or municipal attorneys with jurisdiction over criminal law or child protective services matters.

**H.B. 1861****Amends/Enacts: §552.139 Government Code****Effective: Immediately**

A governmental body's records concerning routine efforts to prevent, detect, investigate, or mitigate a computer security incident, including information contained in or derived from an information security log will be confidential.

**H.B. 3107****Amends/Enacts: §§552.221 552.261, 552.275 and 552.3215 Government Code****Effective: September 1, 2017**

This bill makes several amendments to the Public Information Act, most of which seem to address frivolous or burdensome requests for information. For example, a request will be considered withdrawn if the requestor does not inspect the records or pay for having copies sent to him within sixty days. A governmental body may establish monthly as well as yearly time limits on the amount of time its personnel are required to spend producing information for a requestor. The monthly time limit could be as low as fifteen hours. A governmental body is not required to comply with a requestor who has not paid the body's costs of responding to his previous requests. The news media are excepted from these provisions.

**S.B. 42****Amends/Enacts: §25.025 Tax Code****Effective: September 1, 2017**

Under this court-security bill, the list of people who can have their home addresses kept confidential by appraisal districts and taxing units will be expanded to include a federal or state judge or the spouse of a federal or state judge. The rule applies to a judge on the date the Office of Court Administration of the Texas Judicial System notifies the appraisal district of the judge's qualification for office.



**S.B. 79**

**Amends/Enacts: 552.221 Government Code**  
**Effective: September 1, 2017**

Current law gives a "political subdivision" responding to a public-information request the option of telling the requestor where the information can be found on the subdivision's Internet website. This bill extends that option to any governmental body.

**S.B. 256**

**Amends/Enacts: §25.025 Tax Code**  
**Effective: Immediately**

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units is expanded to include not only victims of family violence but also victims of sexual assault or abuse, stalking or human trafficking. The bill specifies how a victim will establish their right to have their address kept confidential. Generally, they can provide a copy of a protective order or provide "other independent documentary evidence." A victim participating in the Attorney General's address confidentiality program can provide proof of their certification under that program.

**S.B. 277**

**Amends/Enacts: §§312.0021 and 313.024 Tax Code**  
**Effective: September 1, 2017**

A property may not receive a school-tax value limitation if a wind-powered energy device is installed on the property and if that device is within twenty-five nautical miles of a military aviation facility. The bill will not affect value limitation agreements or devices already in existence. This bill is also discussed under the heading, *Exemptions*.

**S.B. 510**

**Amends/Enacts: §25.025 Tax Code**  
**Effective: Immediately**

The list of people who can have their home addresses kept confidential by appraisal districts and taxing units will be expanded to include current and former employees of federal or state judges.

**S.B. 625**

**Amends/Enacts: §§403.0241, 403.0242 Government Code; §§203.061 and 203.062 Local Government Code**  
**Effective: September 1, 2017**

The comptroller will create an Internet database containing financial and tax rate information about special purpose districts. The districts in the database will not include school or junior- college districts but will include other districts that are authorized to impose property or sales taxes, to impose assessments, or to charge fees. In order to be included, a district must, during the most recent fiscal year: 1) have had bonds outstanding; 2) have had gross receipts from operations, loans, taxes, or contributions in excess of \$250,000; or 3) have had cash and temporary investments in excess of \$250,000. The database will include information about each district including: the name of each board member; the name of the person serving as the district's general manager; the name of the district's utility operator; the name of the district's TAC; the district's tax rates; its account balances, debts and other financial information. Districts will have to provide the information to the comptroller. A district that fails to do so will be included on a noncompliance list and may be subjected to a \$1,000 fine for every thirty days that it remains out of compliance. The comptroller will have the database created and posted by September 1, 2018 and will update the information annually.

**S.B. 929**

**Amends/Enacts: §6.231 Tax Code**  
**Effective: Immediately (doesn't apply to TACs currently holding office)**

A county TAC who assesses or collects property taxes will have to complete at least 40 hours of continuing education courses on assessment and collection, including a course dedicated to Chapter 26 of the Tax Code, not later than the first anniversary of the date on the TAC first took office. The law applies to only a TAC whose first term of office begins after May 18, 2017.

**S.B. 1086**

**Amends/Enacts: §156.155 Tax Code**

**Effective: Immediately**

The Comptroller may no longer post on the Internet information about a hotel's taxable receipts. The information will still be available on request under the Public Information Act.

**S.B. 1576**

**Amends/Enacts §25.025 Tax Code**

**Effective: September 1, 2017 (applies to requests for information filed after that date)**

This bill adds to the list of persons who may request their home address to be exempt from disclosure. The list will include current or former employees of the Texas Civil Commitment Office.