

1-1 By: Taylor of Collin S.B. No. 717
1-2 (In the Senate - Filed February 2, 2017; February 21, 2017,
1-3 read first time and referred to Committee on Finance;
1-4 March 20, 2017, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 15, Nays 0; March 20, 2017,
1-6 sent to printer.)

1-7 COMMITTEE VOTE

1-8	Yea	Nay	Absent	PNV
1-9	Nelson	X		
1-10	Hinojosa	X		
1-11	Bettencourt	X		
1-12	Birdwell	X		
1-13	Hancock	X		
1-14	Huffman	X		
1-15	Kolkhorst	X		
1-16	Nichols	X		
1-17	Schwertner	X		
1-18	Seliger	X		
1-19	Taylor of Galveston	X		
1-20	Uresti	X		
1-21	Watson	X		
1-22	West	X		
1-23	Whitmire	X		

1-24 COMMITTEE SUBSTITUTE FOR S.B. No. 717 By: Uresti

1-25 A BILL TO BE ENTITLED
1-26 AN ACT

1-27 relating to the reappraisal for ad valorem tax purposes of property
1-28 damaged in a disaster.

1-29 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-30 SECTION 1. Section 23.02, Tax Code, is amended to read as
1-31 follows:

1-32 Sec. 23.02. REAPPRAISAL OF PROPERTY DAMAGED IN DISASTER
1-33 AREA. (a) The chief appraiser of an appraisal district that
1-34 appraises property for ~~[governing body of]~~ a taxing unit that is
1-35 located partly or entirely inside an area declared to be a disaster
1-36 area by the governor shall reappraise ~~[may authorize reappraisal~~
1-37 ~~of]~~ all property that the Federal Emergency Management Agency or
1-38 its successor agency estimates to have sustained five percent or
1-39 greater damage as a result of ~~[damaged in]~~ the disaster at its
1-40 market value immediately after the disaster.

1-41 (a-1) Notwithstanding Subsection (a), a property owner may
1-42 refuse to have the owner's property reappraised under this section.

1-43 (b) The chief appraiser ~~[If a taxing unit authorizes a~~
1-44 ~~reappraisal pursuant to this section, the appraisal office]~~ shall
1-45 complete the reappraisal not later than the 45th day after the date
1-46 the governor declares the area to be a disaster area ~~[as soon as~~
1-47 ~~practicable]~~.

1-48 (b-1) Notwithstanding Subsection (b), if the Federal
1-49 Emergency Management Agency or its successor agency does not
1-50 complete the damage estimates described by Subsection (a) on or
1-51 before the deadline for completing the reappraisal prescribed by
1-52 Subsection (b), the chief appraiser shall complete the reappraisal
1-53 as soon as practicable after the damage estimates are completed.

1-54 (b-2) The chief appraiser ~~[appraisal office]~~ shall include
1-55 on the appraisal records, in addition to other information required
1-56 or authorized by law:

1-57 (1) the date of the disaster; and

1-58 (2) the appraised value of the property after the
1-59 disaster~~[- and~~

1-60 ~~[(3) if the reappraisal is not authorized by all~~

2-1 ~~taxing units in which the property is located, an indication of the~~
 2-2 ~~taxing units to which the reappraisal applies].~~

2-3 (c) A taxing unit for which property is reappraised ~~[that~~
 2-4 ~~authorizes a reappraisal]~~ under this section must pay the appraisal
 2-5 district all the costs of making the reappraisal. If property in
 2-6 the same territory is reappraised for two or more taxing units
 2-7 ~~[provide for the reappraisal in the same territory]~~, each unit
 2-8 shall share the costs of the reappraisal in that territory in the
 2-9 proportion the total dollar amount of taxes each unit imposed in
 2-10 that territory in the preceding year bears to the total dollar
 2-11 amount of taxes all units ~~[providing for reappraisal of that~~
 2-12 ~~territory]~~ imposed in that territory in the preceding year.

2-13 (d) If property damaged in a disaster is reappraised for a
 2-14 taxing unit as provided by this section, the governing body of the
 2-15 taxing unit shall provide for prorating the taxes on the property
 2-16 for the year in which the disaster occurred. The ~~[If the taxes are]~~
 2-17 prorated~~[,]~~ taxes due on the property are determined as follows:
 2-18 the taxes on the property based on its value on January 1 of that
 2-19 year are multiplied by a fraction, the denominator of which is 365
 2-20 and the numerator of which is the number of days before the date the
 2-21 disaster occurred; the taxes on the property based on its
 2-22 reappraised value are multiplied by a fraction, the denominator of
 2-23 which is 365 and the numerator of which is the number of days,
 2-24 including the date the disaster occurred, remaining in the year;
 2-25 and the total of the two amounts is the amount of taxes on the
 2-26 property for the year.

2-27 (e) The comptroller may adopt rules to implement and
 2-28 administer this section.

2-29 SECTION 2. The change in law made by this Act applies only
 2-30 to the reappraisal of property located in an area that is declared
 2-31 to be a disaster area by the governor on or after the effective date
 2-32 of this Act. The reappraisal of property located in an area that
 2-33 was declared to be a disaster area by the governor before the
 2-34 effective date of this Act is governed by the law as it existed
 2-35 immediately before the effective date of this Act, and that law is
 2-36 continued in effect for that purpose.

2-37 SECTION 3. This Act takes effect immediately if it receives
 2-38 a vote of two-thirds of all the members elected to each house, as
 2-39 provided by Section 39, Article III, Texas Constitution. If this
 2-40 Act does not receive the vote necessary for immediate effect, this
 2-41 Act takes effect September 1, 2017.

2-42 * * * * *