

TAX CODE
TITLE 1. PROPERTY TAX CODE
SUBTITLE F. REMEDIES
CHAPTER 42. JUDICIAL REVIEW

SUBCHAPTER A. IN GENERAL

Sec. 42.01. RIGHT OF APPEAL BY PROPERTY OWNER. (a) A property owner is entitled to appeal:

(1) an order of the appraisal review board determining:

(A) a protest by the property owner as provided by Subchapter C of Chapter 41;

(B) a determination of an appraisal review board on a motion filed under Section 25.25;

(C) a determination of an appraisal review board that the property owner has forfeited the right to a final determination of a motion filed under Section 25.25 or of a protest under Section 41.411 for failing to comply with the prepayment requirements of Section 25.26 or 41.4115, as applicable; or

(D) a determination of an appraisal review board of eligibility for a refund requested under Section 23.1243; or

(2) an order of the comptroller issued as provided by Subchapter B, Chapter 24, apportioning among the counties the appraised value of railroad rolling stock owned by the property owner.

(b) A property owner who establishes that the owner did not forfeit the right to a final determination of a motion or of a protest in an appeal under Subsection (a)(1)(C) is entitled to a final determination of the court, as applicable:

(1) of the motion filed under Section 25.25; or

(2) of the protest under Section 41.411 of the failure of the chief appraiser or appraisal review board to provide or deliver a notice to which the property owner is entitled, and, if failure to provide or deliver the notice is established, of a protest made by the property owner on any other grounds of protest authorized by this title relating to the property to which the

notice applies.

Acts 1979, 66th Leg., p. 2309, ch. 841, Sec. 1, eff. Jan. 1, 1982.
Amended by Acts 1981, 67th Leg., 1st C.S., p. 174, ch. 13, Sec. 148,
eff. Jan. 1, 1982; Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 53,
eff. Sept. 1, 1991; Acts 1997, 75th Leg., ch. 1039, Sec. 41, eff.
Jan. 1, 1998.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 322 (H.B. [2476](#)), Sec. 7, eff.
January 1, 2012.

Acts 2011, 82nd Leg., R.S., Ch. 771 (H.B. [1887](#)), Sec. 13, eff.
September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 793 (H.B. [2220](#)), Sec. 5, eff.
June 17, 2011.

Reenacted and amended by Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B.
[1093](#)), Sec. 19.005, eff. September 1, 2013.

Sec. 42.015. APPEAL BY PERSON LEASING PROPERTY. (a) A person leasing property who is contractually obligated to reimburse the property owner for taxes imposed on the property is entitled to appeal an order of the appraisal review board determining a protest brought by the person under Section [41.413](#).

(b) A person appealing an order of the appraisal review board under this section is considered the owner of the property for purposes of the appeal. The chief appraiser shall deliver a copy of any notice relating to the appeal to the owner of the property and to the person bringing the appeal.

Added by Acts 1995, 74th Leg., ch. 581, Sec. 2, eff. Aug. 28, 1995.

Sec. 42.016. INTERVENTION IN APPEAL BY CERTAIN PERSONS. A person is entitled to intervene in an appeal brought under this chapter and the person has standing and the court has jurisdiction in the appeal if the property that is the subject of the appeal was also the subject of a protest hearing and the person:

(1) owned the property at any time during the tax year at issue;

(2) leased the property at any time during the tax year at issue and the person filed the protest that resulted in the

issuance of the order under appeal; or

(3) is shown on the appraisal roll as the owner of the property or as a lessee authorized to file a protest and the person filed the protest that resulted in the issuance of the order under appeal.

Added by Acts 2011, 82nd Leg., R.S., Ch. 771 (H.B. 1887), Sec. 14, eff. September 1, 2011.

Sec. 42.02. RIGHT OF APPEAL BY CHIEF APPRAISER. (a) On written approval of the board of directors of the appraisal district, the chief appraiser is entitled to appeal an order of the appraisal review board determining:

(1) a taxpayer protest as provided by Subchapter C, Chapter 41, subject to Subsection (b); or

(2) a taxpayer's motion to change the appraisal roll filed under Section 25.25.

(b) Except as provided by Subsection (c), the chief appraiser may not appeal an order of the appraisal review board determining a taxpayer protest under Subsection (a)(1) if:

(1) the protest involved a determination of the appraised or market value of the taxpayer's property and that value according to the order that is the subject of the appeal is less than \$1 million; or

(2) for any other taxpayer protest, the property to which the protest applies has an appraised value according to the appraisal roll for the current year of less than \$1 million.

(c) On written approval of the board of directors of the appraisal district, the chief appraiser may appeal an order of the appraisal review board determining a taxpayer protest otherwise prohibited by Subsection (b), if the chief appraiser alleges that the taxpayer or a person acting on behalf of the taxpayer committed fraud, made a material misrepresentation, or presented fraudulent evidence in the hearing before the board. In an appeal under this subsection, the court shall first consider whether the taxpayer or a person acting on behalf of the taxpayer committed fraud, made a material misrepresentation, or presented fraudulent evidence to the appraisal review board. If the court does not find by a

preponderance of the evidence that the taxpayer or a person acting on behalf of the taxpayer committed fraud, made a material misrepresentation, or presented fraudulent evidence to the appraisal review board, the court shall:

(1) dismiss the appeal; and

(2) award court costs and reasonable attorney's fees to the taxpayer.

Acts 1979, 66th Leg., p. 2310, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 2001, 77th Leg., ch. 1430, Sec. 32, eff. Sept. 1, 2001.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1033 (H.B. 1680), Sec. 1, eff. June 15, 2007.

Sec. 42.03. RIGHT OF APPEAL BY COUNTY. A county may appeal the order of the comptroller issued as provided by Subchapter B, Chapter 24 of this code apportioning among the counties the appraised value of railroad rolling stock.

Acts 1979, 66th Leg., p. 2310, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 53, eff. Sept. 1, 1991.

Sec. 42.031. RIGHT OF APPEAL BY TAXING UNIT. (a) A taxing unit is entitled to appeal an order of the appraisal review board determining a challenge by the taxing unit.

(b) A taxing unit may not intervene in or in any other manner be made a party, whether as defendant or otherwise, to an appeal of an order of the appraisal review board determining a taxpayer protest under Subchapter C, Chapter 41, if the appeal was brought by the property owner.

Added by Acts 1981, 67th Leg., 1st C.S., p. 174, ch. 13, Sec. 149, eff. Jan. 1, 1982. Amended by Acts 1989, 71st Leg., ch. 796, Sec. 41, eff. Sept. 1, 1989; Acts 1999, 76th Leg., ch. 1481, Sec. 34, eff. Jan. 1, 2000.

Sec. 42.04. INTERVENTION BY STATE OR POLITICAL SUBDIVISION OWNING PROPERTY SUBJECT TO TAXABLE LEASEHOLD. If the challenge or

protest relates to a taxable leasehold or other possessory interest in real property that is owned by this state or a political subdivision of this state, the attorney general or a representative of the state agency that owns the real property, if the real property is owned by this state, or a person designated by the political subdivision that owns the real property, as applicable, may intervene in an appeal of an order of an appraisal review board determining a challenge by a taxing unit or a taxpayer protest. Added by Acts 1999, 76th Leg., ch. 416, Sec. 5, eff. Sept. 1, 1999.

Sec. 42.05. COMPTROLLER AS PARTY. The comptroller is an opposing party in an appeal by:

(1) a property owner of an order of the comptroller determining a protest of the appraisal, interstate allocation, or intrastate apportionment of transportation business intangibles; or

(2) a county or a property owner of an order of the comptroller apportioning among the counties the appraised value of railroad rolling stock.

Acts 1979, 66th Leg., p. 2310, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 53, eff. Sept. 1, 1991.

Sec. 42.06. NOTICE OF APPEAL. (a) To exercise the party's right to appeal an order of an appraisal review board, a party other than a property owner must file written notice of appeal within 15 days after the date the party receives the notice required by Section 41.47 or, in the case of a taxing unit, by Section 41.07 that the order appealed has been issued. To exercise the right to appeal an order of the comptroller, a party other than a property owner must file written notice of appeal within 15 days after the date the party receives the comptroller's order. A property owner is not required to file a notice of appeal under this section.

(b) A party required to file a notice of appeal under this section other than a chief appraiser who appeals an order of an appraisal review board shall file the notice with the chief appraiser of the appraisal district for which the appraisal review

board is established. A chief appraiser who appeals an order of an appraisal review board shall file the notice with the appraisal review board. A party who appeals an order of the comptroller shall file the notice with the comptroller.

(c) If the chief appraiser, a taxing unit, or a county appeals, the chief appraiser, if the appeal is of an order of the appraisal review board, or the comptroller, if the appeal is of an order of the comptroller, shall deliver a copy of the notice to the property owner whose property is involved in the appeal within 10 days after the date the notice is filed.

(d) On the filing of a notice of appeal, the chief appraiser shall indicate where appropriate those entries on the appraisal records that are subject to the appeal.

Acts 1979, 66th Leg., p. 2310, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 1981, 67th Leg., 1st C.S., p. 174, ch. 13, Sec. 150, eff. Jan. 1, 1982; Acts 1987, 70th Leg., ch. 898, Sec. 1, eff. Jan. 1, 1988; Acts 1989, 71st Leg., ch. 796, Sec. 42, eff. June 15, 1989; Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 53, eff. Sept. 1, 1991; Acts 1997, 75th Leg., ch. 1039, Sec. 41, eff. Jan. 1, 1998.

Sec. 42.07. COSTS OF APPEAL. The reviewing court in its discretion may charge all or part of the costs of an appeal taken as provided by this chapter against any of the parties.

Acts 1979, 66th Leg., p. 2310, ch. 841, Sec. 1, eff. Jan. 1, 1982.

Sec. 42.08. FORFEITURE OF REMEDY FOR NONPAYMENT OF TAXES.

(a) The pendency of an appeal as provided by this chapter does not affect the delinquency date for the taxes on the property subject to the appeal. However, that delinquency date applies only to the amount of taxes required to be paid under Subsection (b). If the property owner complies with Subsection (b), the delinquency date for any additional amount of taxes due on the property is determined by Section 42.42(c), and that additional amount is not delinquent before that date.

(b) Except as provided in Subsection (d), a property owner who appeals as provided by this chapter must pay taxes on the property subject to the appeal in the amount required by this

subsection before the delinquency date or the property owner forfeits the right to proceed to a final determination of the appeal. The amount of taxes the property owner must pay on the property before the delinquency date to comply with this subsection is the lesser of:

(1) the amount of taxes due on the portion of the taxable value of the property that is not in dispute;

(2) the amount of taxes due on the property under the order from which the appeal is taken; or

(3) the amount of taxes imposed on the property in the preceding tax year.

(b-1) This subsection applies only to an appeal in which the property owner elects to pay the amount of taxes described by Subsection (b)(1). The appeal filed by the property owner must be accompanied by a statement in writing of the amount of taxes the property owner proposes to pay. The failure to provide the statement required by this subsection is not a jurisdictional error.

(c) A property owner that pays an amount of taxes greater than that required by Subsection (b) does not forfeit the property owner's right to a final determination of the appeal by making the payment. The property owner may pay an additional amount of taxes at any time. If the property owner files a timely appeal under this chapter, taxes paid on the property are considered paid under protest, even if paid before the appeal is filed. If the taxes are subject to the split-payment option provided by Section 31.03, the property owner may comply with Subsection (b) of this section by paying one-half of the amount otherwise required to be paid under that subsection before December 1 and paying the remaining one-half of that amount before July 1 of the following year.

(d) After filing an oath of inability to pay the taxes at issue, a party may be excused from the requirement of prepayment of tax as a prerequisite to appeal if the court, after notice and hearing, finds that such prepayment would constitute an unreasonable restraint on the party's right of access to the courts. On the motion of a party and after the movant's compliance with Subsection (e), the court shall hold a hearing to review and

determine compliance with this section, and the reviewing court may set such terms and conditions on any grant of relief as may be reasonably required by the circumstances. If the court determines that the property owner has not substantially complied with this section, the court shall dismiss the pending action. If the court determines that the property owner has substantially but not fully complied with this section, the court shall dismiss the pending action unless the property owner fully complies with the court's determination within 30 days of the determination.

(e) Not later than the 45th day before the date of a hearing to review and determine compliance with this section, the movant must mail notice of the hearing by certified mail, return receipt requested, to the collector for each taxing unit that imposes taxes on the property.

(f) Regardless of whether the collector for the taxing unit receives a notice under Subsection (e), a taxing unit that imposes taxes on the property may intervene in an appeal under this chapter and participate in the proceedings for the limited purpose of determining whether the property owner has complied with this section. The taxing unit is entitled to process for witnesses and evidence and to be heard by the court.

Acts 1979, 66th Leg., p. 2310, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 1983, 68th Leg., p. 5049, ch. 910, Sec. 1, eff. Aug. 29, 1983; Acts 1985, 69th Leg., ch. 195, Sec. 1, eff. May 24, 1985; Acts 1989, 71st Leg., ch. 796, Sec. 43, eff. June 15, 1989; Acts 1995, 74th Leg., ch. 579, Sec. 12, eff. Jan. 1, 1996; Acts 1997, 75th Leg., ch. 203, Sec. 1, eff. May 21, 1997.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1033 (H.B. [1680](#)), Sec. 2, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 530 (S.B. [1359](#)), Sec. 1, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1259 (H.B. [585](#)), Sec. 24, eff. June 14, 2013.

Sec. 42.09. REMEDIES EXCLUSIVE. (a) Except as provided by Subsection (b) of this section, procedures prescribed by this title

for adjudication of the grounds of protest authorized by this title are exclusive, and a property owner may not raise any of those grounds:

(1) in defense to a suit to enforce collection of delinquent taxes; or

(2) as a basis of a claim for relief in a suit by the property owner to arrest or prevent the tax collection process or to obtain a refund of taxes paid.

(b) A person against whom a suit to collect a delinquent property tax is filed may plead as an affirmative defense:

(1) if the suit is to enforce personal liability for the tax, that the defendant did not own the property on which the tax was imposed on January 1 of the year for which the tax was imposed; or

(2) if the suit is to foreclose a lien securing the payment of a tax on real property, that the property was not located within the boundaries of the taxing unit seeking to foreclose the lien on January 1 of the year for which the tax was imposed.

(c) For purposes of this section, "suit" includes a counterclaim, cross-claim, or other claim filed in the course of a lawsuit.

Acts 1979, 66th Leg., p. 2311, ch. 841, Sec. 1, eff. Jan. 1, 1982.
Amended by Acts 1987, 70th Leg., ch. 53, Sec. 1, eff. May 6, 1987.

SUBCHAPTER B. REVIEW BY DISTRICT COURT

Sec. 42.21. PETITION FOR REVIEW. (a) A party who appeals as provided by this chapter must file a petition for review with the district court within 60 days after the party received notice that a final order has been entered from which an appeal may be had or at any time after the hearing but before the 60-day deadline. Failure to timely file a petition bars any appeal under this chapter.

(b) A petition for review brought under Section 42.02 must be brought against the owner of the property involved in the appeal. A petition for review brought under Section 42.031 must be brought against the appraisal district and against the owner of the property involved in the appeal. A petition for review brought

under Section 42.01(a)(2) or 42.03 must be brought against the comptroller. Any other petition for review under this chapter must be brought against the appraisal district. A petition for review may not be brought against the appraisal review board. An appraisal district may hire an attorney that represents the district to represent the appraisal review board established for the district to file an answer and obtain a dismissal of a suit filed against the appraisal review board in violation of this subsection.

(c) If an appeal under this chapter is pending when the appraisal review board issues an order in a subsequent year under a protest by the same property owner and that protest relates to the same property that is involved in the pending appeal, the property owner may appeal the subsequent appraisal review board order by amending the original petition for the pending appeal to include the grounds for appealing the subsequent order. The amended petition must be filed with the court in the period provided by Subsection (a) for filing a petition for review of the subsequent order. A property owner may appeal the subsequent appraisal review board order under this subsection or may appeal the order independently of the pending appeal as otherwise provided by this section, but may not do both. A property owner may change the election of remedies provided by this subsection at any time before the end of the period provided by Subsection (a) for filing a petition for review.

(d) An appraisal district is served by service on the chief appraiser at any time or by service on any other officer or employee of the appraisal district present at the appraisal office at a time when the appraisal office is open for business with the public. An appraisal review board is served by service on the chairman of the appraisal review board. Citation of a party is issued and served in the manner provided by law for civil suits generally.

(e) A petition that is timely filed under Subsection (a) or amended under Subsection (c) may be subsequently amended to:

- (1) correct or change the name of a party; or
- (2) not later than the 120th day before the date of trial, identify or describe the property originally involved in the

appeal.

(f) A petition filed by an owner or lessee of property may include multiple properties that are owned or leased by the same person and are of a similar type or are part of the same economic unit and would typically sell as a single property. If a petition is filed by multiple plaintiffs or includes multiple properties that are not of a similar type, are not part of the same economic unit, or are part of the same economic unit but would not typically sell as a single property, the court may on motion and a showing of good cause sever the plaintiffs or the properties.

(g) A petition filed by an owner or lessee of property may be amended to include additional properties in the same county that are owned or leased by the same person, are of a similar type as the property originally involved in the appeal or are part of the same economic unit as the property originally involved in the appeal and would typically sell as a single property, and are the subject of an appraisal review board order issued in the same year as the order that is the subject of the original appeal. The amendment must be filed within the period during which a petition for review of the appraisal review board order pertaining to the additional properties would be required to be filed under Subsection (a).

(h) The court has jurisdiction over an appeal under this chapter brought on behalf of a property owner or lessee and the owner or lessee is considered to have exhausted the owner's or lessee's administrative remedies regardless of whether the petition correctly identifies the plaintiff as the owner or lessee of the property or correctly describes the property so long as the property was the subject of an appraisal review board order, the petition was filed within the period required by Subsection (a), and the petition provides sufficient information to identify the property that is the subject of the petition. Whether the plaintiff is the proper party to bring the petition or whether the property needs to be further identified or described must be addressed by means of a special exception and correction of the petition by amendment as authorized by Subsection (e) and may not be the subject of a plea to the jurisdiction or a claim that the plaintiff has failed to exhaust the plaintiff's administrative

remedies. If the petition is amended to add a plaintiff, the court on motion shall enter a docket control order to provide proper deadlines in response to the addition of the plaintiff.

Acts 1979, 66th Leg., p. 2311, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 1983, 68th Leg., p. 5344, ch. 981, Sec. 1, eff. Aug. 29, 1983; Acts 1985, 69th Leg., ch. 760, Sec. 1, eff. Aug. 26, 1985; Acts 1989, 71st Leg., ch. 796, Sec. 44, eff. June 15, 1989; Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 54, eff. Sept. 1, 1991; Acts 1999, 76th Leg., ch. 1113, Sec. 1, eff. June 18, 1999.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 905 (H.B. 986), Sec. 1, eff. June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 771 (H.B. 1887), Sec. 15, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 19.006, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1259 (H.B. 585), Sec. 25, eff. June 14, 2013.

Text of section as amended by Acts 1993, 73rd Leg., ch. 667, Sec. 1

Sec. 42.22. VENUE. Venue is in the county in which the appraisal review board that issued the order appealed is located, except as provided by Section 42.221. Venue is in Travis County if the order appealed was issued by the comptroller.

Acts 1979, 66th Leg., p. 2311, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 1981, 67th Leg., 1st C.S., p. 174, ch. 13, Sec. 151, eff. Jan. 1, 1982; Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 55, eff. Sept. 1, 1991; Acts 1993, 73rd Leg., ch. 667, Sec. 1, eff. Sept. 1, 1993.

Text of section as amended by Acts 1993, 73rd Leg., ch. 1033, Sec. 1

Sec. 42.22. VENUE. (a) Except as provided by Subsections (b) and (c), and by Section 42.221, venue is in the county in which the appraisal review board that issued the order appealed is located.

(b) Venue of an action brought under Section 42.01(1) is in the county in which the property is located or in the county in

which the appraisal review board that issued the order is located.

(c) Venue is in Travis County if the order appealed was issued by the comptroller.

Acts 1979, 66th Leg., p. 2311, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 1981, 67th Leg., 1st C.S., p. 174, ch. 13, Sec. 151, eff. Jan. 1, 1982; Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 55, eff. Sept. 1, 1991; Acts 1993, 73rd Leg., ch. 1033, Sec. 1, eff. Sept. 1, 1993.

Sec. 42.221. CONSOLIDATED APPEALS FOR MULTICOUNTY PROPERTY. (a) The owner of property of a telecommunications provider, as defined by Section 51.002, Utilities Code, or the owner of property regulated by the Railroad Commission of Texas, the federal Surface Transportation Board, or the Federal Energy Regulatory Commission that runs through or operates in more than one county and is appraised by more than one appraisal district may appeal an order of an appraisal review board relating to the property running through or operating in more than one county to the district court of any county in which a portion of the property is located or operated if the order relating to that portion of the property is appealed.

(b) A petition for review of each appraisal review board order under this section must be filed with the court as provided by Section 42.21.

(c) If only one appeal by the owner of property subject to this section is pending before the court in an appeal from the decision of an appraisal review board of a district other than the appraisal district for that county, any party to the suit may, not earlier than the 30th day before and not later than the 10th day before the date set for the hearing, make a motion to transfer the suit to a district court of the county in which the appraisal review board from which the appeal is taken is located. In the absence of a showing that further appeals under this section will be filed, the court shall transfer the suit.

(d) When the owner files the first petition for review under this section for a tax year, the owner shall include with the petition a list of each appraisal district in which the property is

appraised for taxation in that tax year.

(e) The court shall consolidate all the appeals for a tax year relating to a single property subject to this section for which a petition for review is filed with the court and may consolidate other appeals relating to other property subject to this section of the same owner if the property is located in one or more of the counties on the list required by Subsection (d). Except as provided by this subsection, on the motion of the owner of a property subject to this section the court shall grant a continuance to provide the owner with an opportunity to include in the proceeding appeals of appraisal review board orders from additional appraisal districts. The court may not grant a continuance to include an appeal of an appraisal review board order that relates to a property subject to this section in that tax year after the time for filing a petition for review of that order has expired.

(f) This section does not affect the property owner's right to file a petition for review of an individual appraisal district's order relating to a property subject to this section in the district court in the county in which the appraisal review board is located.

(g) On a joint motion or the separate motions of at least 60 percent of the appraisal districts that are defendants in a consolidated suit filed before the 45th day after the date on which the property owner's petitions for review of the appraisal review board orders relating to a property subject to this section for that tax year must be filed, the court shall transfer the suit to a district court of the county named in the motion or motions if that county is one in which one of the appraisal review boards from which an appeal was taken is located.

Added by Acts 1993, 73rd Leg., ch. 667, Sec. 2, eff. Sept. 1, 1993 and Acts 1993, 73rd Leg., ch. 1033, Sec. 2, eff. Sept. 1, 1993. Amended by Acts 2003, 78th Leg., ch. 1041, Sec. 3, eff. Sept. 1, 2003.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1141 (S.B. 287), Sec. 3, eff. June 19, 2015.

Sec. 42.225. PROPERTY OWNER'S RIGHT TO APPEAL THROUGH

ARBITRATION. (a) On motion by a property owner who appeals an appraisal review board order under this chapter, the court shall submit the appeal to nonbinding arbitration. The court shall order the nonbinding arbitration to be conducted in accordance with Chapter 154, Civil Practice and Remedies Code. If the appeal proceeds to trial following an arbitration award or finding under this subsection, either party may introduce the award or finding into evidence. In addition, the court shall award the property owner reasonable attorney fees if the trial was not requested by the property owner and the determination of the appeal results in an appraised value for the owner's property that is equal to or less than the appraised value under the arbitration award or finding. However, the amount of an award of attorney fees under this subsection is subject to the same limitations as those provided by Section 42.29.

(b) On motion by the property owner, the court shall order the parties to an appeal of an appraisal review board order under this chapter to submit to binding arbitration if the appraisal district joins in the motion or consents to the arbitration. A binding arbitration award under this subsection is binding and enforceable in the same manner as a contract obligation.

(c) The court shall appoint an impartial third party to conduct an arbitration under this section. The impartial third party is appointed by the court and serves as provided by Subchapter C, Chapter 154, Civil Practice and Remedies Code.

(d) Each party or counsel for the party may present the position of the party before the impartial third party, who must render a specific arbitration award.

(e) Prior to submission of a case to arbitration the court shall determine matters related to jurisdiction, venue, and interpretation of the law.

(f) Except as provided in this section, an arbitration award may include any remedy or relief that a court could order under this chapter.

Added by Acts 1991, 72nd Leg., ch. 412, Sec. 1, eff. Aug. 26, 1991.
Amended by Acts 1993, 73rd Leg., ch. 1031, Sec. 9, eff. Sept. 1, 1993.

Sec. 42.226. MEDIATION. On motion by a party to an appeal under this chapter, the court shall enter an order requiring the parties to attend mediation. The court may enter an order requiring the parties to attend mediation on its own motion.

Added by Acts 2011, 82nd Leg., R.S., Ch. 771 (H.B. 1887), Sec. 16, eff. September 1, 2011.

Sec. 42.227. PRETRIAL SETTLEMENT DISCUSSIONS. (a) A property owner or appraisal district that is a party to an appeal under this chapter may request that the parties engage in settlement discussions, including through an informal settlement conference or a form of alternative dispute resolution. The request must be in writing and delivered to the other party before the date of trial. The court on motion of either party shall enter orders necessary to implement this section, including an order:

(1) specifying the form that the settlement discussions must take; or

(2) changing a deadline to designate experts prescribed by Subsection (c).

(b) On or before the 120th day after the date the written request is delivered under Subsection (a), each party or the party's attorney of record shall attend the settlement discussions and make a good faith effort to resolve the matter under appeal.

(c) If the appraisal district is unable for any reason to attend the settlement discussions on or before the 120th day after the date the written request is delivered under Subsection (a), the deadline to designate experts for the appeal is, notwithstanding a deadline prescribed by the Texas Rules of Civil Procedure:

(1) with regard to all experts testifying for a party seeking affirmative relief, 60 days before the date of trial; and

(2) with regard to all other experts, 30 days before the date of trial.

(d) If a property owner is unable for any reason to attend the settlement discussions on or before the 120th day after the date the written request is delivered under Subsection (a), Section 42.23(d) does not apply to the parties to the appeal.

(e) An appraisal district may not request or require a property owner to waive a right under this title as a condition of attending a settlement discussion.

Added by Acts 2015, 84th Leg., R.S., Ch. 1270 (S.B. 593), Sec. 1, eff. June 20, 2015.

Sec. 42.23. SCOPE OF REVIEW. (a) Review is by trial de novo. The district court shall try all issues of fact and law raised by the pleadings in the manner applicable to civil suits generally.

(b) The court may not admit in evidence the fact of prior action by the appraisal review board or comptroller, except to the extent necessary to establish its jurisdiction.

(c) Any party is entitled to trial by jury on demand.

(d) Each party to an appeal is considered a party seeking affirmative relief for the purpose of discovery regarding expert witnesses under the Texas Rules of Civil Procedure if, on or before the 120th day after the date the appeal is filed, the property owner:

(1) makes a written offer of settlement;

(2) requests alternative dispute resolution; and

(3) designates, in response to an appropriate written discovery request, which cause of action under this chapter is the basis for the appeal.

(e) For purposes of Subsection (d), a property owner may designate a cause of action under Section 42.25 or 42.26 as the basis for an appeal, but may not designate a cause of action under both sections as the basis for the appeal. Discovery regarding a cause of action that is not specifically designated by the property owner under Subsection (d) shall be conducted as provided by the Texas Rules of Civil Procedure. The court may enter a protective order to modify the provisions of this subsection under Rule 192.6 of the Texas Rules of Civil Procedure.

(f) For purposes of a no-evidence motion for summary judgment filed by a party to an appeal under this chapter, the offer of evidence, including an affidavit or testimony, by any person, including the appraisal district, the property owner, or the

owner's agent, that was presented at the hearing on the protest before the appraisal review board constitutes sufficient evidence to deny the motion.

(g) For the sole purpose of admitting expert testimony to determine the value of chemical processing property or utility property in an appeal brought under this chapter and for no other purpose under this title, including the rendition of property under Chapter 22, the property is considered to be personal property.

(h) Evidence, argument, or other testimony offered at an appraisal review board hearing by a property owner or agent is not admissible in an appeal under this chapter unless:

(1) the evidence, argument, or other testimony is offered to demonstrate that there is sufficient evidence to deny a no-evidence motion for summary judgment filed by a party to the appeal or is necessary for the determination of the merits of a motion for summary judgment filed on another ground;

(2) the property owner or agent is designated as a witness for purposes of trial and the testimony offered at the appraisal review board hearing is offered for impeachment purposes; or

(3) the evidence is the plaintiff's testimony at the appraisal review board hearing as to the value of the property.

Text of subsection effective on January 01, 2020

(i) If an appraisal district employee testifies as to the value of real property in an appeal under Section 42.25 or 42.26, the court may give preference to an employee who is a person authorized to perform an appraisal of real estate under Section 1103.201, Occupations Code.

Acts 1979, 66th Leg., p. 2311, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 1981, 67th Leg., 1st C.S., p. 174, ch. 13, Sec. 152, eff. Jan. 1, 1982; Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 56, eff. Sept. 1, 1991.

Amended by:

Acts 2005, 79th Leg., Ch. 1126 (H.B. 2491), Sec. 25, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 771 (H.B. 1887), Sec. 17, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1259 (H.B. 585), Sec. 26, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 481 (S.B. 1760), Sec. 9, eff. January 1, 2020.

Sec. 42.24. ACTION BY COURT. In determining an appeal, the district court may:

(1) fix the appraised value of property in accordance with the requirements of law if the appraised value is at issue;

(2) enter the orders necessary to ensure equal treatment under the law for the appealing property owner if inequality in the appraisal of his property is at issue; or

(3) enter other orders necessary to preserve rights protected by and impose duties required by the law.

Acts 1979, 66th Leg., p. 2311, ch. 841, Sec. 1, eff. Jan. 1, 1982.

Sec. 42.25. REMEDY FOR EXCESSIVE APPRAISAL. If the court determines that the appraised value of property according to the appraisal roll exceeds the appraised value required by law, the property owner is entitled to a reduction of the appraised value on the appraisal roll to the appraised value determined by the court.

Acts 1979, 66th Leg., p. 2311, ch. 841, Sec. 1, eff. Jan. 1, 1982.

Sec. 42.26. REMEDY FOR UNEQUAL APPRAISAL. (a) The district court shall grant relief on the ground that a property is appraised unequally if:

(1) the appraisal ratio of the property exceeds by at least 10 percent the median level of appraisal of a reasonable and representative sample of other properties in the appraisal district;

(2) the appraisal ratio of the property exceeds by at least 10 percent the median level of appraisal of a sample of properties in the appraisal district consisting of a reasonable number of other properties similarly situated to, or of the same general kind or character as, the property subject to the appeal; or

(3) the appraised value of the property exceeds the

median appraised value of a reasonable number of comparable properties appropriately adjusted.

(b) If a property owner is entitled to relief under Subsection (a)(1), the court shall order the property's appraised value changed to the value as calculated on the basis of the median level of appraisal according to Subsection (a)(1). If a property owner is entitled to relief under Subsection (a)(2), the court shall order the property's appraised value changed to the value calculated on the basis of the median level of appraisal according to Subsection (a)(2). If a property owner is entitled to relief under Subsection (a)(3), the court shall order the property's appraised value changed to the value calculated on the basis of the median appraised value according to Subsection (a)(3). If a property owner is entitled to relief under more than one subdivision of Subsection (a), the court shall order the property's appraised value changed to the value that results in the lowest appraised value. The court shall determine each applicable median level of appraisal or median appraised value according to law, and is not required to adopt the median level of appraisal or median appraised value proposed by a party to the appeal. The court may not limit or deny relief to the property owner entitled to relief under a subdivision of Subsection (a) because the appraised value determined according to another subdivision of Subsection (a) results in a higher appraised value.

(c) For purposes of establishing the median level of appraisal under Subsection (a)(1), the median level of appraisal in the appraisal district as determined by the comptroller under Section 5.10 is admissible as evidence of the median level of appraisal of a reasonable and representative sample of properties in the appraisal district for the year of the comptroller's determination, subject to the Texas Rules of Evidence and the Texas Rules of Civil Procedure.

(d) For purposes of this section, the value of the property subject to the suit and the value of a comparable property or sample property that is used for comparison must be the market value determined by the appraisal district when the property is a residence homestead subject to the limitation on appraised value

imposed by Section [23.23](#).

Acts 1979, 66th Leg., p. 2311, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 1981, 67th Leg., 1st C.S., p. 174, ch. 13, Sec. 153, eff. Jan. 1, 1982; Acts 1983, 68th Leg., p. 4924, ch. 877, Sec. 3, eff. Jan. 1, 1984; Acts 1985, 69th Leg., ch. 823, Sec. 3, eff. Jan. 1, 1986; Acts 1989, 71st Leg., ch. 796, Sec. 45, eff. June 15, 1989; Acts 1991, 72nd Leg., ch. 843, Sec. 12, eff. Sept. 1, 1991; Acts 1997, 75th Leg., ch. 1039, Sec. 42, eff. Jan. 1, 1998; Acts 2003, 78th Leg., ch. 1041, Sec. 4, eff. Sept. 1, 2003.

Sec. 42.28. APPEAL OF DISTRICT COURT JUDGMENT. A party may appeal the final judgment of the district court as provided by law for appeal of civil suits generally, except that an appeal bond is not required of the chief appraiser, the county, the comptroller, or the commissioners court.

Acts 1979, 66th Leg., p. 2312, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 57, eff. Sept. 1, 1991.

Sec. 42.29. ATTORNEY'S FEES. (a) A property owner who prevails in an appeal to the court under Section [42.25](#) or [42.26](#), in an appeal to the court of a determination of an appraisal review board on a motion filed under Section [25.25](#), or in an appeal to the court of a determination of an appraisal review board of a protest of the denial in whole or in part of an exemption under Section [11.17](#), [11.22](#), [11.23](#), [11.231](#), or [11.24](#) may be awarded reasonable attorney's fees. The amount of the award may not exceed the greater of:

(1) \$15,000; or

(2) 20 percent of the total amount by which the property owner's tax liability is reduced as a result of the appeal.

(b) Notwithstanding Subsection (a), the amount of an award of attorney's fees may not exceed the lesser of:

(1) \$100,000; or

(2) the total amount by which the property owner's tax liability is reduced as a result of the appeal.

Added by Acts 1983, 68th Leg., p. 5033, ch. 905, Sec. 1, eff. Aug.

29, 1983. Amended by Acts 1991, 72nd Leg., ch. 836, Sec. 4.1, eff. Sept. 1, 1991; Acts 1997, 75th Leg., ch. 203, Sec. 2, eff. May 21, 1997.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1267 (H.B. 1030), Sec. 5, eff. June 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1259 (H.B. 585), Sec. 27, eff. June 14, 2013.

Sec. 42.30. ATTORNEY NOTICE OF CERTAIN ENGAGEMENTS.

(a) An attorney who accepts an engagement or compensation from a third party to represent a person in an appeal under this chapter shall provide notice to the person represented:

(1) informing the person that the attorney has been retained by a third party to represent the person;

(2) explaining the attorney's ethical obligations to the person in relation to the third party, including the obligation to ensure that the third party does not interfere with the attorney's independent judgment or the attorney-client relationship;

(3) describing the general activities the third party may perform in the appeal;

(4) explaining that compensation will be received by the attorney from the third party; and

(5) informing the person that the person's consent is required before the attorney may accept compensation from the third party.

(b) The attorney shall mail the notice by certified mail to the person represented by the attorney not later than the 30th day after the date the attorney accepts the engagement from the third party.

(c) Notwithstanding the other provisions of this section, an engagement complies with this section if each party related to the engagement, including the person represented in the appeal, the third party, and the attorney, enters into an agreement not later than the 30th day after the date of the filing of the appeal by the attorney that contains the information required by Subsection (a).

(d) A person may void an engagement that does not comply with this section. An attorney who does not comply with this section may be reported to the Office of Chief Disciplinary Counsel for the State Bar of Texas.

Added by Acts 2011, 82nd Leg., R.S., Ch. 771 (H.B. 1887), Sec. 18, eff. September 1, 2011.

SUBCHAPTER C. POSTAPPEAL ADMINISTRATIVE PROCEDURES

Sec. 42.41. CORRECTION OF ROLLS. (a) Not later than the 45th day after the date an appeal is finally determined, the chief appraiser shall:

(1) correct the appraisal roll and other appropriate records as necessary to reflect the final determination of the appeal; and

(2) certify the change to the assessor for each affected taxing unit.

(b) The assessor for each affected taxing unit shall correct the tax roll and other appropriate records for which the assessor is responsible.

(c) A chief appraiser is irrebutably presumed to have complied with Subsection (a)(2).

Acts 1979, 66th Leg., p. 2312, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 1981, 67th Leg., 1st C.S., p. 175, ch. 13, Sec. 155, eff. Jan. 1, 1982; Acts 2003, 78th Leg., ch. 481, Sec. 1, eff. Sept. 1, 2003.

Sec. 42.42. CORRECTED AND SUPPLEMENTAL TAX BILLS. (a) Except as provided by Subsection (b) of this section, if the final determination of an appeal that changes a property owner's tax liability occurs after the tax bill is mailed, the assessor for each affected taxing unit shall prepare and mail a corrected tax bill in the manner provided by Chapter 31 of this code for tax bills generally. The assessor shall include with the bill a brief explanation of the reason for and effect of the corrected bill.

(b) If the final determination of an appeal that increases a property owner's tax liability occurs after the property owner has

paid his taxes, the assessor for each affected taxing unit shall prepare and mail a supplemental tax bill in the manner provided by Chapter 31 for tax bills generally. The assessor shall include with the bill a brief explanation of the reason for and effect of the supplemental bill. The additional tax is due on receipt of the supplemental bill and becomes delinquent if not paid before the delinquency date prescribed by Chapter 31 or before the first day of the next month after the date of mailing that will provide at least 21 days for payment of the tax, whichever is later.

(c) If the final determination of an appeal occurs after the property owner has paid a portion of the tax finally determined to be due as required by Section 42.08, the assessor for each affected taxing unit shall prepare and mail a supplemental tax bill in the form and manner prescribed by Subsection (b). The additional tax is due and becomes delinquent as provided by Subsection (b), but the property owner is liable for penalties and interest on the tax included in the supplemental bill calculated as provided by Section 33.01 as if the tax included in the supplemental bill became delinquent on the original delinquency date prescribed by Chapter 31.

(d) If the property owner did not pay any portion of the taxes imposed on the property because the court found that payment would constitute an unreasonable restraint on the owner's right of access to the courts as provided by Section 42.08(d), after the final determination of the appeal the assessor for each affected taxing unit shall prepare and mail a supplemental tax bill in the form and manner prescribed by Subsection (b). The additional tax is due and becomes delinquent as provided by Subsection (b), but the property owner is liable for interest on the tax included in the supplemental bill calculated as provided by Section 33.01 as if the tax included in the supplemental bill became delinquent on the delinquency date prescribed by Chapter 31.

Acts 1979, 66th Leg., p. 2312, ch. 841, Sec. 1, eff. Jan. 1, 1982.
Amended by Acts 1997, 75th Leg., ch. 203, Sec. 3, eff. May 21, 1997.

Sec. 42.43. REFUND. (a) If the final determination of an appeal that decreases a property owner's tax liability occurs after

the property owner has paid his taxes, the taxing unit shall refund to the property owner the difference between the amount of taxes paid and amount of taxes for which the property owner is liable.

(b) For a refund made under this section, the taxing unit shall include with the refund interest on the amount refunded calculated at an annual rate of 9.5 percent, calculated from the delinquency date for the taxes until the date the refund is made.

(b-1) A taxing unit may not send a refund made under this section before the earlier of:

(1) the 21st day after the final determination of the appeal; or

(2) the date the property owner files the form prescribed by Subsection (i) with the taxing unit.

(c) Notwithstanding Subsection (b), if a taxing unit does not make a refund, including interest, required by this section before the 60th day after the date the chief appraiser certifies a correction to the appraisal roll under Section 42.41, the taxing unit shall include with the refund interest on the amount refunded at an annual rate of 12 percent, calculated from the delinquency date for the taxes until the date the refund is made. A refund is not considered made under this section until sent to the proper person as provided by this section.

(d) A property owner who prevails in a suit to compel a refund, including interest, required by this section that is filed on or after the 180th day after the date the chief appraiser certifies a correction to the appraisal roll is entitled to court costs and reasonable attorney's fees.

(e) Except as provided by Subsection (f) or (g), a taxing unit shall send a refund made under this section to the property owner.

(f) The final judgment in an appeal under this chapter may designate to whom and where a refund is to be sent.

(g) If a form prescribed by the comptroller under Subsection (i) is filed with a taxing unit before the 21st day after the final determination of an appeal that requires a refund be made, the taxing unit shall send the refund to the person and address designated on the form.

(h) A separate form must be filed with a taxing unit under Subsection (g) for each appeal to which the property owner is a party. A form may be revoked in a written revocation filed with the taxing unit by the property owner.

(i) The comptroller shall prescribe the form necessary to allow a property owner to designate the person to whom a refund must be sent. The comptroller shall include on the form a space for the property owner to designate to whom and where the refund must be sent and provide options to mail the refund to:

- (1) the property owner;
- (2) the business office of the property owner's attorney of record in the appeal; or
- (3) any other individual and address designated by the property owner.

(j) A property owner is not entitled to a refund under this section resulting from the final determination of an appeal of the denial of an exemption under Section 11.31, wholly or partly, unless the property owner is entitled to the refund under Subsection (a) or has entered into a written agreement with the chief appraiser that authorizes the refund as part of an agreement related to the taxation of the property pending a final determination by the Texas Commission on Environmental Quality under Section 11.31.

(k) Not later than the 10th day after the date a property owner and the chief appraiser enter into a written agreement described by Subsection (j), the chief appraiser shall provide to each taxing unit that taxes the property a copy of the agreement. The agreement is void if a taxing unit that taxes the property objects in writing to the agreement on or before the 60th day after the date the taxing unit receives a copy of the agreement.

Acts 1979, 66th Leg., p. 2313, ch. 841, Sec. 1, eff. Jan. 1, 1982. Amended by Acts 1987, 70th Leg., ch. 640, Sec. 4, eff. Aug. 31, 1987; Acts 1989, 71st Leg., ch. 796, Sec. 46, eff. June 15, 1989; Acts 1993, 73rd Leg., ch. 592, Sec. 1, eff. Sept. 1, 1993; Acts 1997, 75th Leg., ch. 1039, Sec. 43, eff. Jan. 1, 1998; Acts 2001, 77th Leg., ch. 253, Sec. 1, eff. May 22, 2001.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 905 (H.B. [986](#)), Sec. 2, eff.
June 19, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 771 (H.B. [1887](#)), Sec. 19, eff.
September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 956 (H.B. [1090](#)), Sec. 1, eff.
September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 964 (H.B. [1897](#)), Sec. 3, eff.
September 1, 2013.

Acts 2015, 84th Leg., R.S., Ch. 481 (S.B. [1760](#)), Sec. 10, eff.
January 1, 2016.