

TAX CODE

TITLE 1. PROPERTY TAX CODE

SUBTITLE B. PROPERTY TAX ADMINISTRATION

CHAPTER 5. STATE ADMINISTRATION

Sec. 5.01. PROPERTY TAX ADMINISTRATION ADVISORY BOARD.

(a) The comptroller shall appoint the property tax administration advisory board to advise the comptroller with respect to the division or divisions within the office of the comptroller with primary responsibility for state administration of property taxation and state oversight of appraisal districts. The advisory board may make recommendations to the comptroller regarding improving the effectiveness and efficiency of the property tax system, best practices, and complaint resolution procedures.

(b) The advisory board is composed of at least six members appointed by the comptroller. The members of the board should include:

(1) representatives of property tax payers, appraisal districts, assessors, and school districts; and

(2) a person who has knowledge or experience in conducting ratio studies.

(c) The members of the advisory board serve at the pleasure of the comptroller.

(d) Any advice to the comptroller relating to a matter described by Subsection (a) that is provided by a member of the advisory board must be provided at a meeting called by the comptroller.

(e) Chapter [2110](#), Government Code, does not apply to the advisory board.

Added by Acts 2019, 86th Leg., R.S., Ch. 944 (S.B. [2](#)), Sec. 6, eff. January 1, 2020.

Sec. 5.03. POWERS AND DUTIES GENERALLY. (a) The comptroller shall adopt rules establishing minimum standards for the administration and operation of an appraisal district. The minimum standards may vary according to the number of parcels and the kinds of property the district is responsible for appraising.

(b) The comptroller may require from each district engaged in appraising property for taxation an annual report on a form prescribed by the comptroller on the administration and operation of the appraisal office.

(c) The comptroller may contract with consultants to assist in performance of the duties imposed by this chapter.

(d) Notwithstanding any other provision of this title, the comptroller may, after providing notice, require a document, payment, notice, report, or other item required to be submitted to the comptroller under this title to be submitted electronically and may send a document, payment, notice, report or other item the comptroller is required to send under this title electronically. The comptroller may adopt rules to administer this subsection, including rules specifying the format of an item electronically submitted to or sent by the comptroller.

Acts 1979, 66th Leg., p. 2221, ch. 841, Sec. 1, eff. Jan. 1, 1980. Amended by Acts 1981, 67th Leg., 1st C.S., p. 118, ch. 13, Sec. 6, eff. Aug. 14, 1981; Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 2, eff. Sept. 1, 1991.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 282 (H.B. [3786](#)), Sec. 1, eff. September 1, 2021.

Acts 2021, 87th Leg., R.S., Ch. 533 (S.B. [63](#)), Sec. 1, eff. September 1, 2021.

Sec. 5.04. TRAINING AND EDUCATION OF APPRAISERS. (a) The comptroller shall enter into a memorandum of understanding with the Texas Department of Licensing and Regulation or any successor agency responsible for certifying tax professionals in this state in setting standards for and approving curricula and materials for use in training and educating appraisers and assessor-collectors, and the comptroller may contract or enter into a memorandum of understanding with other public agencies, educational institutions, or private organizations in sponsoring courses of instruction and training programs.

(b) An appraisal district shall reimburse an employee of the appraisal office for all actual and necessary expenses, tuition and

other fees, and costs of materials incurred in attending, with approval of the chief appraiser, a course or training program sponsored or approved by the Texas Department of Licensing and Regulation.

Acts 1979, 66th Leg., p. 2222, ch. 841, Sec. 1, eff. Jan. 1, 1980. Amended by Acts 1981, 67th Leg., 1st C.S., p. 119, ch. 13, Sec. 7, eff. Aug. 14, 1981; Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 2, eff. Sept. 1, 1991.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 450 (H.B. [2447](#)), Sec. 40, eff. September 1, 2009.

Sec. 5.041. TRAINING OF APPRAISAL REVIEW BOARD MEMBERS.

(a) The comptroller shall:

(1) approve curricula and provide materials for use in training and educating members of an appraisal review board;

(2) supervise a comprehensive course for training and education of appraisal review board members and issue certificates indicating course completion;

(3) make all materials for use in training and educating members of an appraisal review board freely available online;

(4) establish and maintain a toll-free telephone number that appraisal review board members may call for answers to technical questions relating to the duties and responsibilities of appraisal review board members and property appraisal issues; and

(5) provide, as feasible, online technological assistance to improve the operations of appraisal review boards and appraisal districts.

(b) A member of the appraisal review board established for an appraisal district must complete the course established under Subsection (a). The course must provide at least eight hours of classroom or distance training and education. A member of the appraisal review board may not participate in a hearing conducted by the board unless the person has completed the course established under Subsection (a) and received a certificate of course completion.

(b-1) At the conclusion of a course established under Subsection (a), each member of an appraisal review board in attendance shall complete a statement, on a form prescribed by the comptroller, indicating that the member will comply with the requirements of this title in conducting hearings.

(c) The comptroller may contract with service providers to assist with the duties imposed under Subsection (a), but the course required may not be provided by an appraisal district, the chief appraiser or another employee of an appraisal district, a member of the board of directors of an appraisal district, a member of an appraisal review board, or a taxing unit. The comptroller may assess a fee to recover a portion of the costs incurred for the training course, but the fee may not exceed \$50 for each person trained. If the training is provided to an individual other than a member of an appraisal review board, the comptroller may assess a fee not to exceed \$50 for each person trained.

(d) The course material for the course required under Subsection (a) is the comptroller's Appraisal Review Board Manual in use on the effective date of this section. The manual shall be updated regularly. It may be revised on request, in writing, to the comptroller. The revision language must be approved on the unanimous agreement of a committee selected by the comptroller and representing, equally, taxpayers and chief appraisers. The person requesting the revision shall pay the costs of mediation if the comptroller determines that mediation is required.

(e) Notwithstanding the provisions of Subsection (b), an appraisal review board member appointed after a course offering may continue to serve until the completion of the subsequent course offering.

(e-1) In addition to the course established under Subsection (a), the comptroller shall approve curricula and provide materials for use in a continuing education course for members of an appraisal review board. The course must provide at least four hours of classroom or distance training and education. The curricula and materials must include information regarding:

(1) the cost, income, and market data comparison methods of appraising property;

- (2) the appraisal of business personal property;
- (3) the determination of capitalization rates for property appraisal purposes;
- (4) the duties of an appraisal review board;
- (5) the requirements regarding the independence of an appraisal review board from the board of directors and the chief appraiser and other employees of the appraisal district;
- (6) the prohibitions against ex parte communications applicable to appraisal review board members;
- (7) the Uniform Standards of Professional Appraisal Practice;
- (8) the duty of the appraisal district to substantiate the district's determination of the value of property;
- (9) the requirements regarding the equal and uniform appraisal of property;
- (10) the right of a property owner to protest the appraisal of the property as provided by Chapter 41; and
- (11) a detailed explanation of each of the actions described by Sections 25.25, 41.41(a), 41.411, 41.412, 41.413, 41.42, and 41.43 so that members are fully aware of each of the grounds on which a property appraisal can be appealed.

(e-2) During the second year of an appraisal review board member's term of office, the member must successfully complete the course established under Subsection (e-1). At the conclusion of the course, the member must complete a statement described by Subsection (b-1). A person may not participate in a hearing conducted by the board, vote on a determination of a protest, or be reappointed to an additional term on the board until the person has completed the course established under Subsection (e-1) and has received a certificate of course completion. If the person is reappointed to an additional term on the appraisal review board, the person must successfully complete the course established under Subsection (e-1) and comply with the other requirements of this subsection in each year the member continues to serve.

(e-3) The comptroller may contract with service providers to assist with the duties imposed under Subsection (e-1), but the course required by that subsection may not be provided by an

appraisal district, the chief appraiser or another employee of an appraisal district, a member of the board of directors of an appraisal district, a member of an appraisal review board, or a taxing unit. The comptroller may assess a fee to recover a portion of the costs incurred for the continuing education course, but the fee may not exceed \$50 for each person trained. If the training is provided to an individual other than a member of an appraisal review board, the comptroller may assess a fee not to exceed \$50 for each person trained.

(f) The comptroller may not advise a property owner, a property owner's agent, or the chief appraiser or another employee of an appraisal district on a matter that the comptroller knows is the subject of a protest to the appraisal review board. The comptroller may provide advice to an appraisal review board member as authorized by Subsection (a)(4) of this section or Section 5.103 and may communicate with the chairman of an appraisal review board or a taxpayer liaison officer concerning a complaint filed under Section 6.052.

(g) Except during a hearing or other appraisal review board proceeding and as provided by Subsection (h) and Section 6.411(c-1), the following persons may not communicate with a member of an appraisal review board about a course provided under this section or any matter presented or discussed during the course:

(1) the chief appraiser of the appraisal district for which the appraisal review board is established;

(2) another employee of the appraisal district for which the appraisal review board is established;

(3) a member of the board of directors of the appraisal district for which the appraisal review board is established;

(4) an officer or employee of a taxing unit that participates in the appraisal district for which the appraisal review board is established; and

(5) an attorney who represents or whose law firm represents the appraisal district or a taxing unit that participates in the appraisal district for which the appraisal review board is established.

(h) An appraisal review board may retain an appraiser

certified by the Texas Appraiser Licensing and Certification Board to instruct the members of the appraisal review board on valuation methodology if the appraisal district provides for the instruction in the district's budget.

(i) The comptroller may adopt rules to implement this section, including rules establishing criteria for course availability and for demonstrating course completion.

Added by Acts 1997, 75th Leg., ch. 691, Sec. 1, eff. Sept. 1, 1997.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1294 (H.B. [2317](#)), Sec. 1, eff. September 1, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 771 (H.B. [1887](#)), Sec. 2, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1259 (H.B. [585](#)), Sec. 2, eff. January 1, 2014.

Acts 2019, 86th Leg., R.S., Ch. 944 (S.B. [2](#)), Sec. 7, eff. January 1, 2020.

Acts 2021, 87th Leg., R.S., Ch. 283 (H.B. [3788](#)), Sec. 1, eff. January 1, 2022.

Acts 2021, 87th Leg., R.S., Ch. 533 (S.B. [63](#)), Sec. 2, eff. September 1, 2021.

Sec. 5.042. REQUIRED TRAINING FOR CHIEF APPRAISERS. (a) Except as provided by this section, a person may not serve as a chief appraiser for an appraisal district unless the person has completed the course of training prescribed by Section [1151.164](#), Occupations Code.

(b) A person may serve in a temporary, provisional, or interim capacity as chief appraiser for a period of up to one year without completing the training required by this section.

(c) This section does not apply to a county assessor-collector who serves as chief appraiser under Section [6.05\(c\)](#).

Added by Acts 2005, 79th Leg., Ch. 1111 (H.B. [2382](#)), Sec. 2, eff. July 1, 2006.

Sec. 5.043. TRAINING OF ARBITRATORS. (a) This section

applies only to persons who have agreed to serve as arbitrators under Chapter 41A.

(b) The comptroller shall:

(1) approve curricula and provide an arbitration manual and other materials for use in training and educating arbitrators;

(2) make all materials for use in training and educating arbitrators freely available online; and

(3) establish and supervise a training program on property tax law for the training and education of arbitrators.

(c) The training program must:

(1) emphasize the requirements regarding the equal and uniform appraisal of property; and

(2) be at least four hours in length.

(d) The training program may be provided online. The comptroller by rule may prescribe the manner by which the comptroller may verify that a person taking the training program online has taken and completed the program.

(e) The comptroller may contract with service providers to assist with the duties imposed under Subsection (b), but the training program may not be provided by an appraisal district, the chief appraiser or another employee of an appraisal district, a member of the board of directors of an appraisal district, a member of an appraisal review board, or a taxing unit. The comptroller may assess a fee to recover a portion of the costs incurred for the training program, but the fee may not exceed \$50 for each person trained. If the training is provided to a person other than a person who has agreed to serve as an arbitrator under Chapter 41A, the comptroller may assess a fee not to exceed \$50 for each person trained.

(f) The comptroller shall prepare an arbitration manual for use in the training program. The manual shall be updated regularly and may be revised on request, in writing, to the comptroller. The revised language must be approved by the unanimous agreement of a committee selected by the comptroller and representing, equally, taxpayers and chief appraisers. The person requesting the revision must pay the costs of mediation if the comptroller

determines that mediation is required.

Added by Acts 2019, 86th Leg., R.S., Ch. 944 (S.B. 2), Sec. 8, eff. January 1, 2020.

Sec. 5.05. APPRAISAL MANUALS AND OTHER MATERIALS. (a) The comptroller may prepare and issue publications relating to the appraisal of property and the administration of taxes, or may approve other publications relating to those matters, including materials published by The Appraisal Foundation, the International Association of Assessing Officers, or other professionally recognized organizations, for use in the administration of property taxes, including:

- (1) a general appraisal manual;
- (2) special appraisal manuals as authorized by law;
- (3) cost, price, and depreciation schedules as authorized by law;
- (4) periodic news and reference bulletins;
- (5) an annotated version of this title and Title 3; and
- (6) a handbook containing selected laws and all rules promulgated by the comptroller relating to the property tax and its administration.

(b) The comptroller shall revise or supplement all materials issued by the comptroller or approve other publications periodically as necessary to keep them current.

(c) The comptroller shall electronically publish all materials under this section for administering the property tax system. The comptroller shall make the materials available to local governmental officials and members of the public but may charge a reasonable fee to offset the costs of preparing, printing, and distributing the materials.

(c-1) An appraisal district shall appraise property in accordance with any appraisal manuals required by law to be prepared and issued by the comptroller.

(c-2) Appraisal manuals required by law to be prepared and issued by the comptroller for the purpose of determining the market value of property shall be prepared based on generally accepted appraisal methods and techniques.

(d) If the appraised value of property is at issue in a lawsuit involving property taxation, a court may not admit in evidence appraisal manuals or cost, price, and depreciation schedules, or portions thereof, that are prepared and issued pursuant to this section. The manuals or schedules may only be used for the limited purpose of impeachment in the same manner and pursuant to the same evidentiary rules as applicable to books and treatises.

Acts 1979, 66th Leg., p. 2222, ch. 841, Sec. 1, eff. Jan. 1, 1980. Amended by Acts 1981, 67th Leg., 1st C.S., p. 119, ch. 13, Sec. 8, eff. Aug. 14, 1981; Acts 1989, 71st Leg., ch. 384, Sec. 6, eff. Sept. 1, 1989; Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 3, eff. Sept. 1, 1991.

Amended by:

Acts 2005, 79th Leg., Ch. 412 (S.B. 1652), Sec. 4, eff. September 1, 2005.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 17.02, eff. September 28, 2011.

Acts 2019, 86th Leg., R.S., Ch. 944 (S.B. 2), Sec. 9, eff. January 1, 2020.

Sec. 5.06. TAXPAYER ASSISTANCE PAMPHLET. The comptroller shall prepare and electronically publish a pamphlet that:

(1) explains the remedies available to a dissatisfied taxpayer and the procedures to be followed in seeking remedial action;

(2) describes the functions of a taxpayer liaison officer appointed under Section 6.052 for an appraisal district with a population of more than 120,000; and

(3) provides advice on preparing and presenting a protest under Chapter 41.

Acts 1979, 66th Leg., p. 2222, ch. 841, Sec. 1, eff. Jan. 1, 1980. Amended by Acts 1989, 71st Leg., ch. 384, Sec. 7, eff. Sept. 1, 1989; Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 4, eff. Sept. 1, 1991.

Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 17.03,

eff. September 28, 2011.

Acts 2023, 88th Leg., R.S., Ch. 312 (H.B. 1285), Sec. 1, eff. January 1, 2024.

Sec. 5.061. EXPLANATION OF INFORMATION RELATED TO HEIR PROPERTY. The comptroller shall prepare and electronically publish a pamphlet that provides information to assist heir property owners in applying for a residence homestead exemption authorized by Chapter 11. The pamphlet must include:

(1) a list of the residence homestead exemptions authorized by Chapter 11;

(2) a description of the process for applying for an exemption as prescribed by Section 11.43;

(3) a description of the documents an owner is required by Section 11.43(o) to submit with an application to demonstrate the owner's ownership of an interest in heir property;

(4) contact information for the division of the State Bar of Texas from which a person may obtain a listing of individuals and organizations available to provide free or reduced-fee legal assistance; and

(5) a general description of the process by which an owner may record the owner's interest in heir property in the real property records of the county in which the property is located.

Added by Acts 2019, 86th Leg., R.S., Ch. 663 (S.B. 1943), Sec. 2, eff. September 1, 2019.

Sec. 5.07. PROPERTY TAX FORMS AND RECORDS SYSTEMS. (a) The comptroller shall prescribe the contents of all forms necessary for the administration of the property tax system and on request shall furnish sufficient copies of model forms of each type to the appropriate local officials. The comptroller may require reimbursement for the costs of printing and distributing the forms.

(b) The comptroller shall make the contents of the forms uniform to the extent practicable but may prescribe or approve additional or substitute forms for special circumstances.

(c) The comptroller shall also prescribe a uniform record system to be used by all appraisal districts for the purpose of

submitting data to be used in the studies required by Section 5.10 of this code and by Section 403.302, Government Code. The record system shall include a compilation of information concerning sales of real property within the boundaries of the appraisal district. The sales information maintained in the uniform record system shall be submitted annually in a form prescribed by the comptroller.

(d) A property tax form that requires a signature may be signed by means of an electronically captured handwritten signature.

(e) A property tax form is not invalid or unenforceable solely because the form is a photocopy, facsimile, or electronic copy of the original.

(f) The comptroller shall prescribe tax rate calculation forms to be used by the designated officer or employee of each taxing unit to calculate and submit the no-new-revenue tax rate and the voter-approval tax rate for the taxing unit as required by Chapter 26.

(g) The forms described by Subsection (f) must be in an electronic format and:

(1) have blanks that can be filled in electronically;

(2) be capable of being certified by the designated officer or employee after completion as accurately calculating the applicable tax rates and using values that are the same as the values shown in, as applicable:

(A) the taxing unit's certified appraisal roll;

or

(B) the certified estimate of taxable value of property in the taxing unit prepared under Section 26.01(a-1); and

(3) be capable of being electronically incorporated into the property tax database maintained by each appraisal district under Section 26.17 and submitted electronically to the county assessor-collector of each county in which all or part of the territory of the taxing unit is located.

(h) For purposes of Subsections (f) and (g), the comptroller shall use the forms published on the comptroller's Internet website as of January 1, 2019, modified as necessary to comply with the

requirements of this section. The comptroller shall update the forms as necessary to reflect formatting or other nonsubstantive changes.

(i) The comptroller may revise the forms to reflect substantive changes other than those described by Subsection (h) or on receipt of a request in writing. A revision under this subsection must be approved by the agreement of a majority of the members of a committee selected by the comptroller who are present at a committee meeting at which a quorum is present. The members of the committee must represent, equally, taxpayers, taxing units or persons designated by taxing units, and assessors. In the case of a revision for which the comptroller receives a request in writing, the person requesting the revision shall pay the costs of mediation if the comptroller determines that mediation is required.

(j) A meeting of the committee held under Subsection (i) is not subject to the requirements of Chapter 551, Government Code.

Acts 1979, 66th Leg., p. 2222, ch. 841, Sec. 1, eff. Jan. 1, 1980.

Amended by Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 4, eff. Sept. 1, 1991; Acts 2003, 78th Leg., ch. 1183, Sec. 4, eff. June 20, 2003.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 288 (H.B. 8), Sec. 5, eff. January 1, 2010.

Acts 2015, 84th Leg., R.S., Ch. 481 (S.B. 1760), Sec. 2, eff. January 1, 2016.

Acts 2019, 86th Leg., R.S., Ch. 944 (S.B. 2), Sec. 10, eff. January 1, 2020.

Acts 2023, 88th Leg., R.S., Ch. 1128 (H.B. 4456), Sec. 1, eff. January 1, 2024.

Sec. 5.08. PROFESSIONAL AND TECHNICAL ASSISTANCE. (a) The comptroller may provide professional and technical assistance on request in appraising property, installing or updating tax maps, purchasing equipment, developing recordkeeping systems, or performing other appraisal activities. The comptroller may also provide professional and technical assistance on request to an appraisal review board. The comptroller may require reimbursement for the costs of providing the assistance.

(b) The comptroller may provide information to and consult with persons actively engaged in appraising property for tax purposes about any matter relating to property taxation without charge.

Acts 1979, 66th Leg., p. 2223, ch. 841, Sec. 1, eff. Jan. 1, 1980. Amended by Acts 1981, 67th Leg., 1st C.S., p. 119, ch. 13, Sec. 9, eff. Aug. 14, 1981; Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 4, eff. Sept. 1, 1991.

Sec. 5.09. BIENNIAL REPORTS. (a) The comptroller shall prepare a biennial report of the total appraised values and taxable values of taxable property by category and the tax rates of each county, municipality, special district, and school district in effect for the two years preceding the year in which the report is prepared.

(a-1) The comptroller shall:

(1) prescribe the format by which an appraisal district or taxing unit must submit information under this section to the comptroller;

(2) collect and review in detail the information submitted that relates to each county, municipality, and school district; and

(3) collect and review the information submitted that relates to each special district.

(b) Not later than December 31 of each even-numbered year, the comptroller shall:

(1) electronically publish on the comptroller's Internet website the report required by Subsection (a); and

(2) notify the governor, the lieutenant governor, and each member of the legislature that the report is available on the website.

Acts 1979, 66th Leg., p. 2223, ch. 841, Sec. 1, eff. Jan. 1, 1980. Amended by Acts 1981, 67th Leg., 1st C.S., p. 119, ch. 13, Sec. 10, eff. Aug. 14, 1981; Acts 1989, 71st Leg., ch. 384, Sec. 8, eff. Sept. 1, 1989; Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 5, eff. Sept. 1, 1991; Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 66, eff. Jan. 8, 1992.

Amended by:

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 17.04, eff. September 28, 2011.

Acts 2019, 86th Leg., R.S., Ch. 944 (S.B. 2), Sec. 11, eff. January 1, 2020.

Sec. 5.091. STATEWIDE LIST OF TAX RATES. (a) Each year the comptroller shall prepare a list that includes the total tax rate imposed by each taxing unit in this state, as reported to the comptroller by each appraisal district, for the year in which the list is prepared. The comptroller shall:

(1) prescribe the manner in which and deadline by which appraisal districts are required to submit the tax rates to the comptroller; and

(2) list the tax rates alphabetically according to:

(A) the county or counties in which each taxing unit is located; and

(B) the name of each taxing unit.

(b) Not later than January 1 of the following year, the comptroller shall publish on the comptroller's Internet website the list required by Subsection (a).

Added by Acts 2015, 84th Leg., R.S., Ch. 481 (S.B. 1760), Sec. 3, eff. January 1, 2016.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 944 (S.B. 2), Sec. 12, eff. January 1, 2020.

Sec. 5.10. RATIO STUDIES. (a) At least once every two years, the comptroller shall conduct a study in each appraisal district to determine the degree of uniformity of and the median level of appraisals by the appraisal district within each major category of property. The comptroller shall publish a report of the findings of the study, including in the report the median levels of appraisal for each major category of property, the coefficient of dispersion around the median level of appraisal for each major category of property, and any other standard statistical measures that the comptroller considers appropriate. In conducting the

study, the comptroller shall apply appropriate standard statistical analysis techniques to data collected as part of the study of school district taxable values required by Section 403.302, Government Code.

(b) The published findings of a ratio study conducted by the comptroller shall be distributed to all members of the legislature and to all appraisal districts.

(c) In conducting a study under this section, the comptroller or the comptroller's authorized representative may enter the premises of a business, trade, or profession and inspect the property to determine the existence and market value of property used for the production of income. An inspection under this subsection must be made during normal business hours or at a time mutually agreeable to the comptroller or the comptroller's authorized representative and the person in control of the premises.

Added by Acts 1981, 67th Leg., 1st C.S., p. 119, ch. 13, Sec. 11, eff. Jan. 1, 1984. Amended by Acts 1983, 68th Leg., p. 5404, ch. 1001, Sec. 2, eff. Jan. 1, 1984; Acts 1985, 69th Leg., ch. 823, Sec. 2, eff. Jan. 1, 1986; Acts 1989, 71st Leg., ch. 384, Sec. 9, eff. Sept. 1, 1989; Acts 1991, 72nd Leg., ch. 843, Sec. 7, eff. Sept. 1, 1991; Acts 1995, 74th Leg., ch. 260, Sec. 44, eff. May 30, 1995.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 288 (H.B. 8), Sec. 6, eff. January 1, 2010.

Sec. 5.102. REVIEW OF APPRAISAL DISTRICTS. (a) At least once every two years, the comptroller shall review the governance of each appraisal district, the taxpayer assistance provided by each appraisal district, and the operating and appraisal standards, procedures, and methodology used by each appraisal district, to determine compliance with generally accepted standards, procedures, and methodology, including compliance with standards, procedures, and methodology prescribed by any appraisal manuals required by law to be prepared and issued by the comptroller.

(a-1) The comptroller may conduct a limited-scope review in place of the review required by Subsection (a) if:

(1) the appraisal district is established in a county located wholly or partly in an area declared by the governor to be a disaster area during the tax year in which the review is required;

(2) the chief appraiser of the appraisal district requests that the review conducted be a limited-scope review; and

(3) the comptroller determines that one of the following circumstances exists and was caused by the disaster:

(A) a building used by the appraisal district to conduct business is destroyed or is inaccessible or damaged to the extent that it is unusable for at least 30 days;

(B) the appraisal district's records are destroyed or are unusable for at least 30 days;

(C) the appraisal district's computer system is destroyed or is unusable for at least 30 days; or

(D) due to extraordinary circumstances, the appraisal district does not have the resources to undergo a review under this section unless the review is limited in scope.

(a-2) After consultation with the property tax administration advisory board, the comptroller by rule may establish procedures and standards for conducting and scoring a review under this section.

(b) In conducting the review, the comptroller is entitled to access to all records and reports of the appraisal district, to copy or print any record or report of the appraisal district, and to the assistance of the appraisal district's officers and employees.

(c) At the conclusion of the review, the comptroller shall, in writing, notify the appraisal district concerning its performance in the review. If the review results in a finding that an appraisal district is not in compliance with generally accepted standards, procedures, and methodology, including compliance with standards, procedures, and methodology prescribed by any appraisal manuals required by law to be prepared and issued by the comptroller, the comptroller shall deliver a report that details the comptroller's findings and recommendations for improvement to:

(1) the appraisal district's chief appraiser and board of directors; and

(2) the superintendent and board of trustees of each

school district participating in the appraisal district.

(d) If the appraisal district fails to comply with the recommendations in the report and the comptroller finds that the board of directors of the appraisal district failed to take remedial action reasonably designed to ensure substantial compliance with each recommendation in the report before the first anniversary of the date the report was issued, the comptroller shall notify the Texas Department of Licensing and Regulation, or a successor to the department, which shall take action necessary to ensure that the recommendations in the report are implemented as soon as practicable.

(e) Before February 1 of the year following the year in which the Texas Department of Licensing and Regulation, or its successor, takes action under Subsection (d), and with the assistance of the comptroller, the department shall determine whether the recommendations in the most recent report have been substantially implemented. The executive director of the department shall notify the chief appraiser and the board of directors of the appraisal district in writing of the department's determination.

Added by Acts 1991, 72nd Leg., ch. 843, Sec. 9, eff. Sept. 1, 1991.

Amended by Acts 1995, 74th Leg., ch. 260, Sec. 46, eff. May 30, 1995; Acts 1997, 75th Leg., ch. 1040, Sec. 65, eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 1183, Sec. 5, eff. June 20, 2003.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 288 (H.B. 8), Sec. 7, eff. January 1, 2010.

Acts 2019, 86th Leg., R.S., Ch. 467 (H.B. 4170), Sec. 14.001, eff. September 1, 2019.

Acts 2019, 86th Leg., R.S., Ch. 490 (H.B. 3384), Sec. 1, eff. June 7, 2019.

Acts 2019, 86th Leg., R.S., Ch. 944 (S.B. 2), Sec. 13, eff. January 1, 2020.

Acts 2023, 88th Leg., R.S., Ch. 768 (H.B. 4595), Sec. 20.001(a), eff. September 1, 2023.

Acts 2023, 88th Leg., R.S., Ch. 768 (H.B. 4595), Sec. 20.001(b), eff. September 1, 2023.

Sec. 5.103. APPRAISAL REVIEW BOARD OVERSIGHT. (a) The comptroller shall prepare model hearing procedures for appraisal review boards.

(b) The model hearing procedures shall address:

- (1) the statutory duties of an appraisal review board;
- (2) the process for conducting a hearing;
- (3) the scheduling of hearings;
- (4) the postponement of hearings;
- (5) the notices required under this title;
- (6) the determination of good cause under Section 41.44(b);
- (7) the determination of good cause under Sections 41.45(e) and (e-1);
- (8) a party's right to offer evidence and argument;
- (9) a party's right to examine or cross-examine witnesses or other parties;
- (10) a party's right to appear by an agent;
- (11) the prohibition of an appraisal review board's consideration of information not provided at a hearing;
- (12) ex parte and other prohibited communications;
- (13) the exclusion of evidence at a hearing as required by Section 41.67(d);
- (14) the postponement of a hearing as required by Section 41.66(h);
- (15) conflicts of interest;
- (16) the process for the administration of applications for membership on an appraisal review board; and
- (17) any other matter related to fair and efficient appraisal review board hearings.

(c) The comptroller may:

- (1) categorize appraisal districts based on the size of the district, the number of protests filed in the district, or similar characteristics; and
- (2) develop different model hearing procedures for different categories of districts.

(d) An appraisal review board shall incorporate the model

hearing procedures prepared by the comptroller when adopting the board's procedures for hearings as required by Section 41.01(c). An appraisal review board may adopt procedures that supplement the model hearing procedures, provided that the supplemental procedures do not contradict or circumvent the model hearing procedures.

(e) Each year the comptroller shall review the hearing procedures adopted by each appraisal review board to determine whether the hearing procedures incorporate the model hearing procedures prepared by the comptroller under this section.

(f) Repealed by Acts 2019, 86th Leg., R.S., Ch. 944 (S.B. 2), Sec. 91(4), eff. January 1, 2020.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1259 (H.B. 585), Sec. 3, eff. January 1, 2014.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 944 (S.B. 2), Sec. 91(4), eff. January 1, 2020.

Acts 2021, 87th Leg., R.S., Ch. 644 (H.B. 988), Sec. 1, eff. June 15, 2021.

Sec. 5.104. APPRAISAL REVIEW BOARD SURVEY; REPORT.

(a) The comptroller shall:

(1) prepare an appraisal review board survey that allows an individual described by Subsection (b) to submit comments and suggestions to the comptroller regarding an appraisal review board;

(2) prepare instructions for completing and submitting the survey; and

(3) implement and maintain a method that allows an individual described by Subsection (b) to electronically complete and submit the survey through a uniform resource locator (URL) address.

(b) The following individuals who attend a hearing in person or by telephone conference call on a motion filed under Section 25.25 to correct the appraisal roll or a protest under Chapter 41 may complete and submit a survey under this section:

(1) a property owner whose property is the subject of

the motion or protest;

(2) the designated agent of the owner; or

(3) a designated representative of the appraisal district in which the motion or protest is filed.

(c) The survey must allow an individual to submit comments and suggestions regarding:

(1) the matters listed in Section 5.103(b); and

(2) any other matter related to the fairness and efficiency of the appraisal review board.

(d) An appraisal district must provide to each property owner or designated agent of the owner who is authorized to submit a survey under this section a notice that states that the owner or agent:

(1) is entitled to complete and submit the survey;

(2) may submit the survey to the comptroller:

(A) in person;

(B) by mail;

(C) by electronic mail; or

(D) through the uniform resource locator (URL) address described by Subsection (a)(3); and

(3) may obtain a paper copy of the survey and instructions for completing the survey at the appraisal office.

(e) The notice described by Subsection (d) must include the uniform resource locator (URL) address described by Subsection (a)(3).

(f) An appraisal district must provide the notice described by Subsection (d) to a property owner or the designated agent of the owner:

(1) at or before the first hearing on the motion or protest described by Subsection (b) by the appraisal review board established for the appraisal district or by a panel of the board; and

(2) with each order under Section 25.25 or 41.47 determining a motion or protest, as applicable, delivered by the board or a panel of the board.

(g) At or before the first hearing on the motion or protest described by Subsection (b) by the appraisal review board

established for the appraisal district or by a panel of the board, the board or panel must provide verbal notice to the property owner or designated agent of the owner of the owner or agent's right to complete and submit the survey.

(h) Notwithstanding Subsections (d), (f), and (g), if an appraisal district provides the notice described by Subsection (d), or an appraisal review board provides the verbal notice required by Subsection (g), to a property owner or the designated agent of the owner at or before a hearing on a motion or protest described by Subsection (b), the appraisal district or board, as applicable, is not required to provide another notice in the same manner to the owner or agent at or before another hearing on a motion or protest held on the same day.

(i) An individual who elects to submit the survey must submit the survey to the comptroller as provided by this section. An individual may submit only one survey for each hearing.

(j) The comptroller shall allow an individual to submit a survey to the comptroller in the following manner:

- (1) in person;
- (2) by mail;
- (3) by electronic mail; or
- (4) through the uniform resource locator (URL) address described by Subsection (a)(3).

(k) An appraisal district may not require a property owner or the designated agent of the owner to complete a survey at the appraisal office.

(l) The comptroller shall issue an annual report that summarizes the information included in the surveys submitted during the preceding tax year. The report must also include a summary of the comments, complaints, and suggestions forwarded to the comptroller during the preceding tax year by taxpayer liaison officers under Section 6.052(a), the results of the comptroller's review of appraisal review board hearing procedures during the preceding tax year under Section 5.103(e), and the results of requests for limited binding arbitration filed with the comptroller during the preceding tax year under Section 41A.015. The report

may not disclose the identity of an individual who submitted a survey, comment, complaint, suggestion, or request for arbitration.

(m) The comptroller may adopt rules necessary to implement this section.

Added by Acts 2019, 86th Leg., R.S., Ch. 944 (S.B. 2), Sec. 14, eff. January 1, 2020.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 644 (H.B. 988), Sec. 2, eff. June 15, 2021.

Sec. 5.12. PERFORMANCE AUDIT OF APPRAISAL DISTRICT. (a) The comptroller shall audit the performance of an appraisal district if one or more of the following conditions exist according to each of two consecutive studies conducted by the comptroller under Section 5.10, regardless of whether the prescribed condition or conditions that exist are the same for each of those studies:

(1) the overall median level of appraisal for all property in the district for which the comptroller determines a median level of appraisal is less than 0.75;

(2) the coefficient of dispersion around the overall median level of appraisal of the properties used to determine the overall median level of appraisal for all property in the district for which the comptroller determines a median level of appraisal exceeds 0.30; or

(3) the difference between the median levels of appraisal for any two classes of property in the district for which the comptroller determines a median level of appraisal is more than 0.45.

(b) At the written request of the governing bodies of a majority of the taxing units participating in an appraisal district or of a majority of the taxing units entitled to vote on the appointment of appraisal district directors, the comptroller shall audit the performance of the appraisal district. The governing bodies may request a general audit of the performance of the appraisal district or may request an audit of only one or more particular duties, practices, functions, departments, or other

appraisal district matters.

(c) At the written request of the owners of not less than 10 percent of the number of accounts or parcels of property in an appraisal district belonging to a single class of property, if the class constitutes at least five percent of the appraised value of taxable property within the district in the preceding year, or at the written request of the owners of property representing not less than 10 percent of the appraised value of all property in the district belonging to a single class of property, if the class constitutes at least five percent of the appraised value of taxable property in the district in the preceding year, the comptroller shall audit the performance of the appraisal district. The property owners may request a general audit of the performance of the appraisal district or may request an audit of only one or more particular duties, practices, functions, departments, or other appraisal district matters. A property owner may authorize an agent to sign a request for an audit under this subsection on the property owner's behalf. The comptroller may require a person signing a request for an audit to provide proof that the person is entitled to sign the request as a property owner or as the agent of a property owner.

(d) A request for a performance audit of an appraisal district may not be made under Subsection (b) or (c) if according to each of the two most recently published studies conducted by the comptroller under Section 5.10:

(1) the overall median level of appraisal for all property in the district for which the comptroller determines a median level of appraisal is more than 0.90 and less than 1.10;

(2) the coefficient of dispersion around the overall median level of appraisal of the properties used to determine the overall median level of appraisal for all property in the district for which the comptroller determines a median level of appraisal is less than 0.15; and

(3) the difference between the highest and lowest median levels of appraisal in the district for the classes of property for which the comptroller determines a median level of appraisal is less than 0.20.

(e) A request for a performance audit of an appraisal district may not be made under Subsection (b) or (c):

(1) during the two years immediately following the publication of the second of two consecutive studies according to which the comptroller is required to conduct an audit of the district under Subsection (a);

(2) during the year immediately following the date the results of an audit of the district conducted by the comptroller under Subsection (a) are reported to the chief appraiser of the district; or

(3) during a year in which the comptroller is conducting a review of the district under Section 5.102.

(f) For purposes of this section, "class of property" means a major kind of property for which the comptroller determines a median level of appraisal under Section 5.10 of this code.

(g) Repealed by Acts 2009, 81st Leg., R.S., Ch. 288, Sec. 11, eff. January 1, 2010.

(h) In addition to the performance audits required by Subsections (a), (b), and (c) and the review of appraisal standards required by Section 5.102, the comptroller may audit an appraisal district to analyze the effectiveness and efficiency of the policies, management, and operations of the appraisal district. The results of the audit shall be delivered in a report that details the comptroller's findings and recommendations for improvement to the appraisal district's chief appraiser and board of directors and the governing body of each taxing unit participating in the appraisal district. The comptroller may require reimbursement by the appraisal district for some or all of the costs of the audit, not to exceed the actual costs associated with conducting the audit.

Added by Acts 1987, 70th Leg., ch. 860, Sec. 1, eff. Jan. 1, 1990.

Amended by Acts 1989, 71st Leg., ch. 384, Sec. 12, eff. Sept. 1, 1989; Acts 1991, 72nd Leg., ch. 843, Sec. 10, eff. Sept. 1, 1991;

Acts 2003, 78th Leg., ch. 1183, Sec. 6, eff. June 20, 2003.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 288 (H.B. 8), Sec. 8, eff. January 1, 2010.

Acts 2009, 81st Leg., R.S., Ch. 288 (H.B. 8), Sec. 11, eff. January 1, 2010.

Sec. 5.13. ADMINISTRATION OF PERFORMANCE AUDITS. (a) The comptroller shall complete an audit required by Section 5.12(a) within two years after the date of the publication of the second of the two studies the results of which required the audit to be conducted. The comptroller shall complete an audit requested under Section 5.12(b) or (c) as soon as practicable after the request is made.

(b) The comptroller may not audit the financial condition of an appraisal district or a district's tax collections. If the request is for an audit limited to one or more particular matters, the comptroller's audit must be limited to those matters.

(c) The comptroller must approve the specific plan for the performance audit of an appraisal district. Before approving an audit plan, the comptroller must provide any interested person an opportunity to appear before the comptroller and to comment on the proposed plan. Not later than the 20th day before the date the comptroller considers the plan for an appraisal district performance audit, the comptroller must notify the presiding officer of the appraisal district board of directors that the comptroller intends to consider the plan. The notice must include the time, date, and place of the meeting to consider the plan. Immediately after receiving the notice, the presiding officer shall deliver a copy of the notice to the other members of the appraisal district board of directors.

(d) In conducting a general audit, the comptroller shall consider and report on:

(1) the extent to which the district complies with applicable law or generally accepted standards of appraisal or other relevant practice, including appraisal standards and practices prescribed by any appraisal manuals required by law to be prepared and issued by the comptroller;

(2) the uniformity and level of appraisal of major kinds of property and the cause of any significant deviations from ideal uniformity and equality of appraisal of major kinds of

property;

(3) duplication of effort and efficiency of operation;

(4) the general efficiency, quality of service, and qualification of appraisal district personnel; and

(5) except as otherwise provided by Subsection (b), any other matter included in the request for the audit.

(e) In conducting the audit, the comptroller is entitled to have access at all times to the books, appraisal and other records, reports, vouchers, and other information, whether confidential or not, of the appraisal district. The comptroller may require the assistance of appraisal district officers or employees that does not interfere significantly with the ordinary functions of the appraisal district. The comptroller may rely on any analysis it has made previously relating to the appraisal district if the previous analysis is useful or relevant to the audit.

(f) The comptroller shall report the results of its audit in writing to the governing body of each taxing unit that participates in the appraisal district, to the chief appraiser, and to the presiding officer of the appraisal district board of directors. If the audit was requested under Section 5.12(c) of this code, the comptroller shall also provide a report to a representative of the property owners who requested the audit.

(g) If the audit is required or requested under Section 5.12(a) or (b) of this code, the appraisal district shall reimburse the comptroller for the costs incurred in conducting the audit and making its report of the audit. The costs shall be allocated among the taxing units participating in the district in the same manner as an operating expense of the district. If the audit is requested under Section 5.12(c) of this code, the property owners who requested the audit shall reimburse the comptroller for the costs incurred in conducting the audit and making its report of the audit and shall allocate the costs among those property owners in proportion to the appraised value of each property owner's property in the district or on such other basis as the property owners may agree. If the audit confirms that the median level of appraisal for a class of property exceeds 1.10 or that the median level of appraisal for a class of property varies at least 10 percent from

the overall median level of appraisal for all property in the district for which the comptroller determines a median level of appraisal, within 90 days after the date a request is made by the property owners for reimbursement the appraisal district shall reimburse the property owners who requested the audit for the amount paid to the comptroller for the costs incurred in conducting the audit and making the report. Before conducting an audit under Section 5.12(c), the comptroller may require the requesting taxing units or property owners to provide the comptroller with a bond, deposit, or other financial security sufficient to cover the expected costs of conducting the audit and making the report. For purposes of this subsection, "costs" include expenses related to salaries, professional fees, travel, reproduction or other printing services, and consumable supplies that are directly attributable to conducting the audit.

(h) At any time after the request for an audit is made, the comptroller may discontinue the audit in whole or in part if requested to do so by:

(1) the governing bodies of a majority of the taxing units participating in the district, if the audit was requested by a majority of those units;

(2) the governing bodies of a majority of the taxing units entitled to vote on the appointment of appraisal district directors, if the audit was requested by a majority of those units; or

(3) if the audit was requested under Section 5.12(c) of this code, by the taxpayers who requested the audit.

(i) The comptroller by rule may adopt procedures, audit standards, and forms for the administration of the performance audits.

Added by Acts 1987, 70th Leg., ch. 860, Sec. 1, eff. Jan. 1, 1990. Redesignated from Sec. 5.12(c) to (i) and amended by Acts 1989, 71st Leg., ch. 384, Sec. 12, eff. Sept. 1, 1989. Amended by Acts 1991, 72nd Leg., ch. 843, Sec. 11, eff. Sept. 1, 1991.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 288 (H.B. 8), Sec. 9, eff. January 1, 2010.

Acts 2019, 86th Leg., R.S., Ch. 944 (S.B. 2), Sec. 15, eff. January 1, 2020.

Sec. 5.14. PUBLIC ACCESS, INFORMATION, AND COMPLAINTS. (a) The comptroller shall develop and implement policies that provide the public with a reasonable opportunity to submit information on any property tax issue under the jurisdiction of the comptroller.

(b) The comptroller shall prepare and maintain a written plan that describes how a person who does not speak English or who has a physical, mental, or developmental disability may be provided reasonable access to the comptroller's programs.

(c) The comptroller shall prepare information of public interest describing the property tax functions of the office of the comptroller and the comptroller's procedures by which complaints are filed with and resolved by the comptroller. The comptroller shall make the information available to the public and appropriate state agencies.

(d) If a written complaint is filed with the comptroller that the comptroller has authority to resolve, the comptroller, at least quarterly and until final disposition of the complaint, shall notify the parties to the complaint of the status of the complaint unless notice would jeopardize an undercover investigation.

(e) The comptroller shall keep an information file about each complaint filed with the comptroller that the comptroller has authority to resolve.

Added by Acts 1989, 71st Leg., ch. 384, Sec. 13, eff. Sept. 1, 1989.
Amended by Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 6, eff. Sept. 1, 1991.

Sec. 5.16. ADMINISTRATIVE PROVISIONS. (a) The comptroller may inspect the records or other materials of an appraisal office or taxing unit, including the relevant records and materials in the possession or control of a consultant, advisor, or expert hired by the appraisal office or taxing unit, for the purpose of:

(1) establishing, reviewing, or evaluating the value of or an appraisal of any property; or

(2) conducting a study, review, or audit required by

Section 5.10 or 5.102 or by Section 403.302, Government Code.

(b) On request of the comptroller, the chief appraiser or administrative head of the taxing unit shall produce the materials in the form and manner prescribed by the comptroller.

Added by Acts 1991, 72nd Leg., 2nd C.S., ch. 6, Sec. 7, eff. Sept. 1, 1991. Amended by Acts 1997, 75th Leg., ch. 1040, Sec. 66, eff. Sept. 1, 1997.