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Senate Has Unanimously Passed SB 1772, Automatic Disaster Reappraisal Legislation Post Harvey
Bettencourt, supported by Senator Miles and Kolkhorst, act to insure property tax breaks

Austin, Texas - The Texas Senate has unanimously passed Senate Bill 1772, authored by Senator Paul Bettencourt (R-Houston) to trigger an automatic disaster reappraisal of impacted properties following a major disaster, such as Hurricane Harvey. In the aftermath of Hurricane Harvey many taxpayers were confronted with the reality that they would be taxed at full value on their property that in many cases were completely destroyed. In one example homeowners on one side of the Buffalo Bayou in Houston got reappraised by Spring Branch ISD while homeowners a stone's throw away did not. This legislation is based upon a work group led by Representative Shine (R-Temple) as well as testimony given to the Senate Property Tax Committee in the interim.

"Nothing makes home and business owners madder than paying full property taxes on a damaged or destroyed property," said Senator Bettencourt (R-Houston).

I expect that the public will approve the change in the Texas Constitution as everyone wants simple disaster reappraisal post Hurricane Harvey," added Senator Miles (D-Houston).

SJR 57, the Resolution accompanying SB 1772, would allow for a property tax exemption for property located in a governor-declared disaster area and that is at least 15% damaged by the disaster as determined by the chief appraiser, or up to 100% of the structure for a total loss. (See attached).

"This proposed new disaster reappraisal system in SB 1772 is based upon a simple taxpayer rendition of damages," continued Senator Bettencourt. **"That simplifies everything and then a temporary exemption grants the tax relief, which could be \$5,000, for example, on a totaled \$200,000 structure."**

"We have a moral obligation to help Texans in the rebuilding process following a major disaster," added Senator Kolkhorst (R-Brenham).

Multiple taxing entities did trigger disaster reappraisal for home and business owners following Hurricane Harvey. Fort Bend County, Montgomery County, Spring Branch ISD, Katy ISD, Willis ISD, the City of Shoreacres, and many other smaller taxing entities did act to provide impacted taxpayers with needed relief, along with over two dozen other taxing units. SB 1772 will make future reappraisals automatic across the disaster area.

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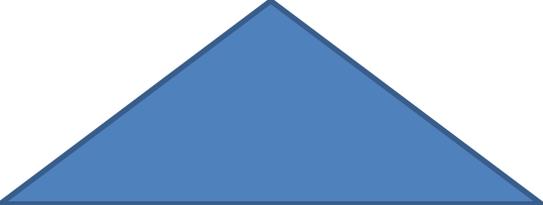
Senate Bill 1772

- *Relating to a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property damaged by a disaster.*
- Exemptions are subject to being applied pro rata based on when in the year the disaster occurred. Exemptions are quicker and less expensive to apply.
- If the tax on the property has already been calculated before the disaster, the assessor must recalculate the tax due in light of the exemption.
- Persons qualifying for this exemption must apply for it before the 105th day after the governor declares the disaster.
- Requires the chief appraiser, if the chief appraiser approves, modifies, or denies an application for an exemption, to deliver a written notice of the approval, modification, or denial to the applicant not later than the fifth day after the date the chief appraiser makes the determination.
- Taxpayers are allowed to protest a denial or modification of their exemption application, as well as the damage assessment, before the ARB.
- A \$200,000 structure saves \$5,000 at a 100% loss.

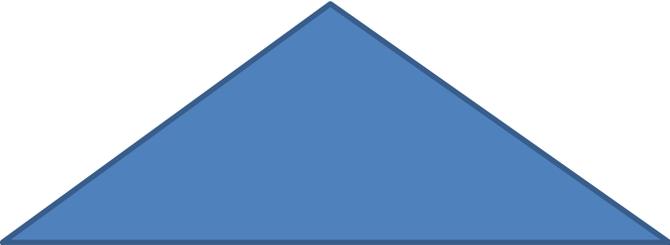
The chief appraiser shall give each qualified property a damage rating of:



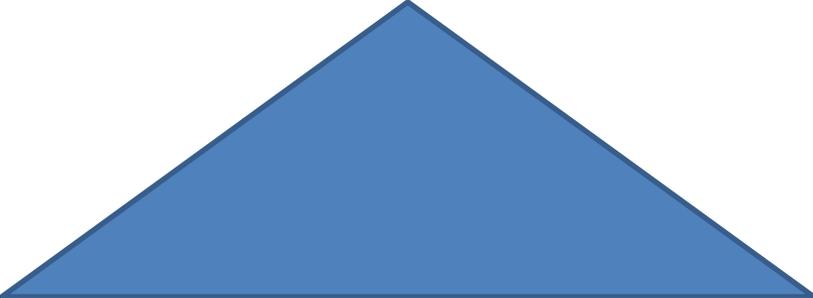
Level 1
15-30% Damage
Use as intended still
15% Exemption



Level 2
30-60% Damage
Nonstructural Damage
30% Exemption



Level 3
More than 60% Damage
but not a Total Loss
Significant Structural Damage
60% Exemption



Level 4
Total Loss
Repair of Property Not Possible
100% Exemption