

The seal of the Texas Comptroller of Public Accounts is faintly visible in the background. It features a central five-pointed star surrounded by a wreath of olive and oak branches. The words "THE COMPTROLLER" are arched above the star, and "TEXAS" is arched below it.

Glenn Hegar

Texas Comptroller of Public Accounts

Arbitrator Training Manual

August 2023

Table of Contents

Introduction	1
Limited Binding Arbitration	4
Overview	4
Request for LBA	4
Comptroller’s Office Processing of LBA Requests	6
Arbitrator Duties in LBA.	7
Regular Binding Arbitration	9
Overview	9
Request for RBA	10
Filing Deadlines	10
Appraisal District Submission	11
Comptroller’s Office Processing of RBA Requests	11
Arbitrator Duties in RBA	14
Arbitration Hearing and Determination	15
Agent Representation	15
Hearing Location.	16
Scheduling the Hearing	16
Notice of Hearing	16
Continuance	17
Arbitration Hearing	17
Hearing Procedures	17
Determination and Award	18
Payment for Services.	18
Prohibited Communications	21
Communications	21
Confidentiality	21

Appraisal Concepts	22
Generally Accepted Appraisal Methods and Techniques	22
What is USPAP?	22
What is Mass Appraisal?	22
Three Approaches to Value.	23
Equal and Uniform	25
Evaluating Testimony	25
Where to Find it in the Law	27
Texas Constitution Provisions	27
Civil Practice and Remedies Code Chapter 171 Provisions	27
Hearing and Notice Requirements	27
Hearing Adjournment or Postponement	27
Failure to Appear.	28
Rights of the Parties at the Hearing	28
Oath Administered by the Arbitrator	28
Depositions.	28
Subpoenas	28
Vacating an Award	28
Tax Code Provisions	29
Arbitrator Registry.	37
Eligibility.	37
Ineligibility	38
Application for Registry	38
Renewal	39
Removal	39
Complaints/Requests for Removal.	40
Arbitrator Ethics and Customer Service	41
Arbitrator Ethics	41
Conflicts of Interest	41
Professionalism	42
What Makes a Good Arbitrator?	43

Impartiality	43
Consistency	43
Good Listener	43
Flexibility	43
Familiarity with Statutes, Rules and Procedures.	43
Appendix A – Definitions	44
Appendix B – Form 50-791, Appointment of Agent[s] for Regular Binding Arbitration.	46
Appendix C – Form 50-836, Appointment of Agent[s] for Limited Binding Arbitration	47
Appendix D – Form 50-830, Notice of Arbitration Withdrawal.	48
Appendix E – Form AP-218, Application for Arbitrator Registry - Individuals Only . .	49
Appendix F – Form AP-219, Request for Binding Arbitration.	52
Appendix G – Form AP-241, Request for Limited Binding Arbitration.	56
Appendix H – Form 50-705, Arbitrator Acceptance/Rejection	60
Appendix I – Form 50-891, Arbitrator Acceptance/Rejection for Limited Binding Arbitration	61
Appendix J – Form 50-704, Regular Arbitration Determination and Award	62
Appendix K – Form 50-890, Limited Binding Arbitration Determination	64

Introduction

The Texas property tax system has four main phases or sets of functions that occur within certain dates: appraisal, equalization, assessment and collection. **Exhibit 1** below indicates the dates and activities that typically occur within each phase. Property tax protests occur in the equalization phase. The equalization phase includes the binding arbitration processes because they are related to the protest process or the appeal of an appraisal review board (ARB) order of determination, the outcome of which may change the subject property’s appraised value in the appraisal records and on the appraisal roll.

**EXHIBIT 1
Tax Calendar Phases**

Appraisal Phase (Jan. 1 through May 15)	
Jan. 1 – April 30:	Property is appraised and exemption applications are processed ¹
April – May 1:	Notices of appraised value are sent ²
May 15:	Appraisal record prepared and submitted to the ARB ³
Equalization Phase (May 15 through July 25)	
May 15 – July 20:	Protests and challenges are heard and determined ⁴
July 20:	Appraisal records are approved ⁵
July 25:	Appraisal roll is certified ⁶
Assessment Phase (July 25 through Oct. 1)	
July 25:	Appraisal roll received by taxing units ⁷
July 25 – Sept. 30:	Tax rates are adopted and taxes are levied (calculated) ⁸
Oct. 1:	Tax bills begin to be sent to taxpayers ⁹
Collection Phase (Oct. 1 through Jan. 31)	
Oct. 1 – Jan. 31:	Current taxes are collected ¹⁰
Feb. 1:	Penalties and interest begin to accrue ¹¹
July 1:	Additional penalties may be added for legal costs ¹²

¹ Tex. Tax Code §§11.43 and 23.01

² Tex. Tax Code §25.19

³ Tex. Tax Code §25.22

⁴ Tex. Tax Code §§41.01 and 41.12

⁵ Tex. Tax Code §41.12

⁶ Tex. Tax Code §26.01

⁷ Tex. Tax Code §26.01

⁸ Tex. Tax Code §§26.01 and 26.05

⁹ Tex. Tax Code §31.01(a)

¹⁰ Tex. Tax Code §31.01(a)

¹¹ Tex. Tax Code §§31.02 and 33.01

¹² Tex. Tax Code §33.07

The right to protest to the ARB is one of Texas property owners’ most important rights. The grounds for protest to the ARB are very broad. Property owners may protest if they disagree with the appraisal district value or any of the appraisal district’s actions concerning their property. Property owners can protest any of the following to the ARB:

- the property’s value;¹³
- the property was appraised unequally;¹⁴
- the chief appraiser denied an exemption;¹⁵
- the chief appraiser denied a special appraisal, such as an agricultural appraisal for farm or ranch;¹⁶
- the chief appraiser determined that the property owner took the land out of agricultural use;¹⁷
- the denial, modification or assessment rating of a property qualified for a temporary exemption due to damage by disaster;¹⁸
- the property is being taxed by the wrong taxing units;¹⁹
- the appraisal records show an incorrect owner for the property;²⁰
- the property was incorrectly included on the appraisal records;²¹
- the chief appraiser or ARB failed to send the property owner a notice that the law requires them to send;²² or
- any other action that the appraisal district, chief appraiser or ARB took that applies to and adversely affects the property owner.²³

Before Sept. 1, 2005, a property owner could only appeal an ARB decision in district court. Appealing in district court is a formal process that can be quite costly. Due to the costly and time-consuming nature of litigation, many states look to alternative dispute resolution as a faster and more efficient way to settle disputes. Alternative

¹³ Tex. Tax Code §41.41(a)(1)

¹⁴ Tex. Tax Code §41.41(a)(2)

¹⁵ Tex. Tax Code §41.41(a)(4)

¹⁶ Tex. Tax Code §41.41(a)(5)

¹⁷ Tex. Tax Code §41.41(a)(8)

¹⁸ Tex. Tax Code §41.41(c)

¹⁹ Tex. Tax Code §41.41(a)(6)

²⁰ Tex. Tax Code §41.41(a)(7)

²¹ Tex. Tax Code §41.41(a)(3)

²² Tex. Tax Code §41.411(a)

²³ Tex. Tax Code §41.41(a)(9)

dispute resolution can include negotiation, conciliation, mediation and arbitration.²⁴ The Texas Legislature created Tax Code Chapter 41A to allow for binding arbitration as a way for property owners to appeal an ARB's order of determination of value while avoiding district court. The Texas Legislature has also recognized the need for property owners to settle other types of disputes through binding arbitration.

In binding arbitration, an independent, neutral arbitrator hears and examines the facts of an appeal and makes a decision that is binding on all parties. In the context of property tax protests and value disputes, binding arbitration creates a forum in which all parties to a dispute present their positions and evidence before an impartial third party, who renders a specific award that is enforceable by law and RBA may only be appealed as provided by Civil Practices and Remedies Code Section 171.088, for purposes of vacating an award. LBA is final and may not be appealed.

Tax Code Chapter 41A includes two types of binding arbitration, each with their own specific requirements. One type of binding arbitration is related to procedural violations during the protest process and the other an appeal of an ARB order determining a property's value.

Property owners who believe the ARB or chief appraiser has failed to comply with procedural requirements have the right to request an arbitrator review their claim through limited binding arbitration (LBA). These cases deal with specific procedural requirements related to the protest process.²⁵

Property owners who are dissatisfied with the ARB's determination of a protest have the right to appeal the ARB's decision by requesting regular binding arbitration (RBA) as an alternative to filing an appeal of an ARB's decision to state district court.²⁶ While the grounds to appeal to district court are not limited, only an ARB order determining a protest filed under Tax Code Section 41.41(a)(1) or (2) may be eligible for RBA.²⁷ These are protests dealing with a property's appraised or market value or with unequal appraisal of property.²⁸

Property owners may be represented by agents in either type of proceeding; however, only licensed attorneys,

real estate brokers or salespersons, real estate appraisers, property tax consultants and certified public accountants can act as agents.²⁹

For a property owner to be represented by an agent in binding arbitration, the property owner or authorized individual is required to complete and sign either the Comptroller's *Appointment of Agent(s) for Regular Binding Arbitration* (Form 50-791) (**Appendix B**) or *Appointment of Agent(s) for Limited Binding Arbitration* (Form 50-836) (**Appendix C**). No other agent appointment or authorization form or document is acceptable. Only the property owner or authorized individual can sign the form. Neither the agent identified in Comptroller Rule 9.4253 nor an agent appointed under Tax Code Section 1.111 may sign the form.

Authorized agents may:

- (1) sign and file or initiate the request for binding arbitration to start the process;
- (2) receive and send communications regarding the binding arbitration proceeding;
- (3) withdraw a request for binding arbitration; and
- (4) appear and represent the property owner at the binding arbitration hearing.

A property owner must identify on Forms 50-791 or 50-836 a specific, qualified individual and may also identify a second specific, qualified individual. Unless the alternate agent is with the same organization as the first individual identified as an agent, the alternate agent is not recognized as authorized to act unless the alternate agent provides written notice to the appraisal district and to the appointed arbitrator that the first agent is not available. A company or business entity does not qualify as an agent.

In completing Forms 50-791 or 50-836, the property owner's name, current mailing address, phone number and email address (if available) must be provided. If the property owner is not an individual, an authorized individual must complete and sign the form on behalf of the property owner. The form must include the authorized individual's name, contact information and the basis for his or her authority. The authorized individual may be asked to show his or her authority to sign on behalf of the property owner or legal entity. If a concern arises regarding the authority of the agent to represent the property owner in a particular arbitration proceeding, the arbitrator is responsible for

²⁴ https://www.law.cornell.edu/wex/alternative_dispute_resolution

²⁵ Tex. Tax Code §41A.015

²⁶ Tex. Tax Code §41A.01

²⁷ Tex. Tax Code §41A.01

²⁸ Tex. Tax Code §41.41(a) and (b)

²⁹ Tex. Tax Code §41A.08(b)

contacting the property owner or authorized individual directly to resolve the matter.

EXHIBIT 2

Comptroller’s Office Responsibilities for Arbitration

- Maintaining the arbitrator registry³⁰
- Training and educating arbitrators³¹
- Processing requests for arbitration³²
- Assigning arbitrators³³
- Remitting payment to the arbitrator, when appropriate³⁴
- Refunding part of the property owner’s deposit, when appropriate³⁵

This manual is part of the required training program for arbitrators and designed to help arbitrators find answers to many questions they may encounter and in order to perform their duties effectively. It includes the official arbitrator duties, a chronology of the LBA and RBA processes and general information about policy, procedures and legal guidelines and available resources. This manual serves as the text for the Comptroller’s Arbitrator Training Course. It is not a substitute for the initial 30 hours of arbitration training nor is it a substitute for the 8-hour biennial arbitrator continuing education requirement.

The Tax Code, Civil Practice and Remedies Code, the Texas Constitution, and Comptroller Rules govern binding arbitration for property tax matters. Tax Code Chapter 41A is specific to the binding arbitration process, and arbitrators are required to know all sections of it. The Comptroller’s office is prohibited from giving advice or direction on a matter relating to a pending arbitration.³⁶

³⁰ Tex. Tax Code §41A.06(a)

³¹ Tex. Tax Code §5.043

³² Tex. Tax Code §41A.05

³³ Tex. Tax Code §41A.07(a)(1)

³⁴ Tex. Tax Code §41A.09

³⁵ Tex. Tax Code §41A.09

³⁶ Tex. Admin. Code §9.4265

Limited Binding Arbitration

Overview

LBA is a process outlined in Tax Code Section 41A.015 that allows property owners who meet certain qualifications to request arbitration to compel the appraisal district or ARB to comply with specific procedural requirements.³⁷ There are specific notice requirements and filing deadlines that are unique to LBA. **Only arbitrators who are licensed attorneys are eligible to be appointed to hear LBA cases.**³⁸ Arbitrators who are licensed attorneys may be assigned to LBA cases and should review this chapter carefully. This chapter provides an overview of the LBA process and **Exhibit 3** provides a visual representation of the LBA process, which begins after a property owner has filed a protest under Tax Code Chapter 41. An arbitrator who accepts an arbitration appointment must conduct each arbitration proceeding according to the terms of Tax Code Chapter 41A and Comptroller Rules.

A property owner can request LBA to compel the ARB or chief appraiser, as appropriate, to:

- rescind procedural rules adopted by the ARB that are not in compliance with the model hearing procedures prepared by the Comptroller;³⁹
- schedule a hearing on a protest as required by law;⁴⁰
- deliver a copy of the *Taxpayer Remedies* publication, the ARB hearing procedures or information on a property owner's right to request evidence the chief appraiser will introduce at the ARB hearing at least 14 days before the scheduled hearing;⁴¹
- allow the property owner to offer evidence, examine or cross-examine witnesses or other parties, and present arguments during a hearing;⁴²
- set a hearing for a time and date certain and postpone a hearing that does not begin within two hours of the scheduled time;⁴³

- schedule hearings on protests concerning multiple properties identified in the same notice of protest on the same day at the request of the property owner or the property owner's designated agent;⁴⁴ or
- refrain from using or offering as evidence information requested by the property owner that was not delivered to the property owner at least 14 days before the hearing.⁴⁵

Each of these statutory or procedural requirements relate to the ARB protest process.

Request for LBA

Not later than May 15th, or the 30th day after the date a *Notice of Appraised Value* is delivered to the property owner, whichever is later, a property owner may file a protest with the ARB for the reasons listed in Tax Code Section 41.41.⁴⁶ A protest under Tax Code Chapter 41 must have been filed for a property owner to be eligible to file for LBA.⁴⁷

Before a property owner can file for LBA, they must first notify the chief appraiser, ARB chairperson and taxpayer liaison officer (TLO) of the alleged procedural violation on or before the 5th business day after the date the ARB or chief appraiser was required to comply with the requirement.⁴⁸ The notice must be sent by certified mail, return receipt requested. The ARB chair or chief appraiser then has 10 days to deliver a written statement confirming they will comply with the procedural requirement or cure a failure to comply.⁴⁹ If the ARB chair or chief appraiser does not deliver the written statement within 10 days of the notice, the property owner can file an LBA request.

The property owner cannot file the LBA request sooner than 11 days or later than 30 days from the date the property owner delivered the required notice.⁵⁰ The LBA request is filed directly with the Comptroller's office. A property owner can request a single LBA for more than one property, more

³⁷ Tex. Tax Code §41A.015

³⁸ Tex. Tax Code §41A.015(p)(1)

³⁹ Tex. Tax Code §41A.015(a)(1)

⁴⁰ Tex. Tax Code §41A.015(a)(2)

⁴¹ Tex. Tax Code §41A.015(a)(3)

⁴² Tex. Tax Code §41A.015(a)(4)

⁴³ Tex. Tax Code §41A.015(a)(5)

⁴⁴ Tex. Tax Code §41A.015(a)(6)

⁴⁵ Tex. Tax Code §41A.015(a)(8)

⁴⁶ Tex. Tax Code §41.44(a)(1)

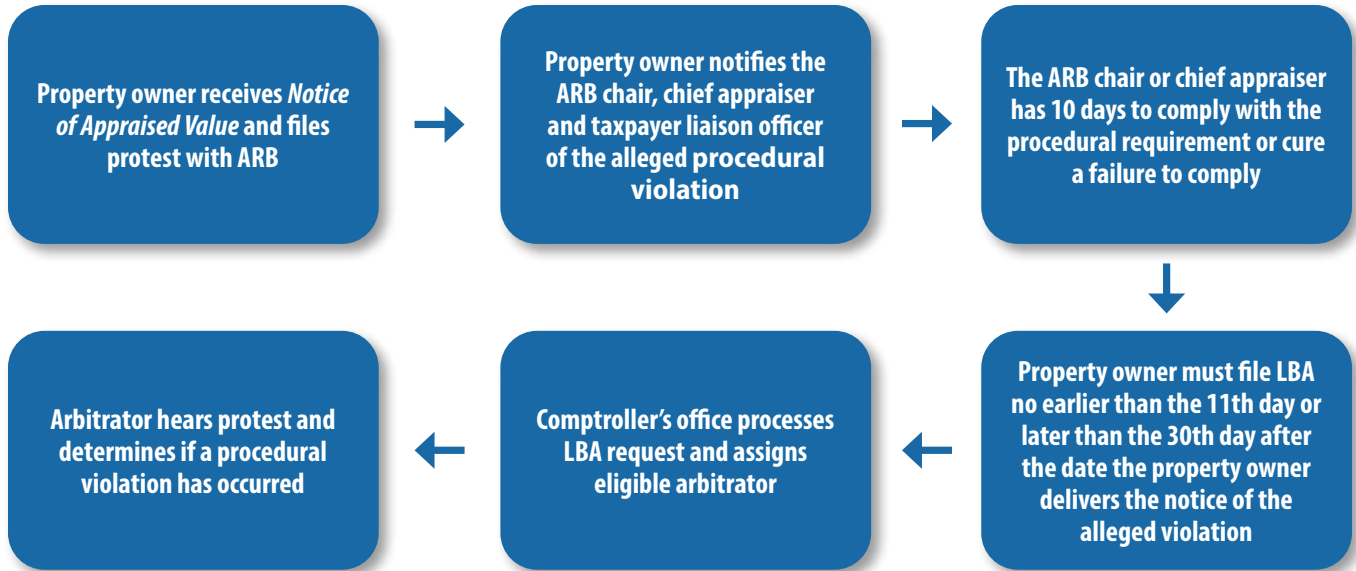
⁴⁷ Tex. Tax Code §41A.015(a)

⁴⁸ Tex. Tax Code §41A.015(b)(1)

⁴⁹ Tex. Tax Code §41A.015(b)(2)

⁵⁰ Tex. Tax Code §41A.015(d)

EXHIBIT 3
LBA Process Overview



than one protest hearing that occurred in the same tax year or more than one procedural violation as long the notice and filing requirements are met for each alleged violation.⁵¹

Property owners must complete the Comptroller’s *Request for Limited Binding Arbitration* (Form AP-241) (**Appendix G**), attach a copy of the appraisal district’s *Notice of Appraised Value* for the property subject to LBA and include a check or money order payable to the Comptroller of Public Accounts for the required deposit amount. **Exhibit 4** shows the required LBA deposit and arbitrator fee schedule. The request form requires the property owner to:

- make a statement indicating that he or she has provided the written notice to the chief appraiser, ARB chairperson and TLO;⁵²
- make a statement indicating the required deposit is included with the request;⁵³
- identify the procedural requirement with which the chief appraiser or ARB allegedly failed to comply;⁵⁴
- describe the action taken or not taken by the chief appraiser or ARB regarding the procedural requirement;⁵⁵

- provide a description of the property to which the award will apply;⁵⁶ and
- any other information reasonably necessary for the Comptroller to appoint an arbitrator.⁵⁷

A property owner who files suit under Tax Code Chapter 42 regarding the same issues for the same properties in the same tax year waives his or her right to request LBA and the arbitrator is required to dismiss the arbitration proceeding. A property owner must decide between filing an appeal in district court and requesting LBA.

EXHIBIT 4
Limited Binding Arbitration Deposit and Arbitrator Fee Schedule⁵⁸

PROPERTY TYPE	APPRAISED OR MARKET VALUE	DEPOSIT	ARBITRATOR FEE
Residence homestead	\$500,000 or less	\$450	\$400
Residence homestead	More than \$500,000	\$550	\$500
All other property	Any value	\$550	\$500

⁵¹ Tex. Tax Code §41A.015(o)
⁵² Tex. Tax Code §41A.015(f)(1)
⁵³ Tex. Tax Code §41A.015(f)(2)
⁵⁴ Tex. Tax Code §41A.015(f)(3)
⁵⁵ Tex. Tax Code §41A.015(f)(4)

⁵⁶ Tex. Tax Code §41A.015(f)(5)
⁵⁷ Tex. Tax Code §41A.015(f)(6)
⁵⁸ Tex. Tax Code §41A.015(e)(1)-(2)

Comptroller's Office Processing of LBA Requests

Upon receiving an LBA request from a property owner, the Comptroller's office immediately transfers the deposit into the Comptroller's arbitration account and the LBA request and accompanying documents are scanned into an imaging system. Comptroller employees review the LBA request to determine if it is complete and that the correct deposit amount was included. After processing the request, the Comptroller's office assigns a unique 11-digit arbitration number that follows a specific sequence. The first three numbers are the county number, from 001 to 254; the next two numbers are the year of the protest; the next digit is 'L'; and the last five digits are assigned in sequential order.

Cure Period

If the request is not complete or the deposit amount is incorrect the defect must be cured, or the request cannot be processed.⁵⁹ Before determining that a request cannot be processed, the Comptroller's office must notify the property owner or agent of the defect in the request by regular first-class mail or email, at the Comptroller's office discretion. If notified by email, the notification is deemed delivered on the date the Comptroller's office transmits the email. The Comptroller's office has the sole discretion to determine what is curable. The property owner or agent has 15 days from the date of the Comptroller's notification to cure the defect.⁶⁰ Any defect that cannot be cured or is not timely cured will result in the non-processing of the LBA request and notice will be sent to the property owner or agent, ARB chairperson and appraisal district as outlined in **Exhibit 5**. Common reasons why a request cannot be processed include the following:

- The request is not signed by the property owner or agent.
- A copy of the *Notice of Appraised Value* for the property under protest is not included.
- The deposit amount is incorrect.
- In an agent-initiated request, the agent refuses to produce a completed copy of Form 50-836.
- The property owner or agent fails to address any other curable defect.

⁵⁹ Tex. Tax Code §41A.05(c)(1)

⁶⁰ Tex. Tax Code §41A.05(c)(2)

EXHIBIT 5

LBA Request Processing Steps

1. Receive LBA.
2. Transfer deposit into Comptroller's LBA account.
3. Review request to determine if there is missing information and whether the deposit is correct.
4. Notify property owner or agent of processing, non-processing or need to cure a defect.
5. Allow property owner or agent 15 days to cure any defects.
6. When processed, an arbitrator is immediately assigned.

Arbitrator Appointment

After processing the LBA request, the Comptroller's office immediately appoints an arbitrator who is both qualified and eligible for the appointment to resolve each valid alleged procedural violation included in the LBA request. The Comptroller's office notifies the arbitrator of the appointment by regular first-class mail.

The arbitrator has 10 calendar days from the date on the Comptroller's notice or letter of appointment to submit written acceptance or refusal of the appointment to the Comptroller's office. The arbitrator can deliver the notice of acceptance or refusal of the appointment to the Comptroller by email, fax or regular first-class mail. Whether the arbitrator timely accepted the appointment is solely within the discretion of the Comptroller's office.

After accepting the appointment, the Comptroller sends to the arbitrator the parties' contact information and the Comptroller's *Limited Binding Arbitration Determination* (Form 50-890) (**Appendix K**). The arbitrator is encouraged to promptly contact both the property owner, ARB chairperson and the appraisal district by telephone or email to arrange a date, time and location for the arbitration.

Eligibility for Appointment

To be eligible for initial appointment to an LBA, an arbitrator must reside in Texas.⁶¹ Only arbitrators who are licensed attorneys are eligible for appointment to an LBA.⁶²

The Comptroller's office may not appoint a person listed as an arbitrator on the registry for good cause if the person is found to have engaged in repeated bias or misconduct while acting as an arbitrator.⁶³ If a request for removal or complaint against

⁶¹ Tex. Tax Code §41A.07(e)

⁶² Tex. Tax Code §41A.07(p)(1)

⁶³ Tex. Tax Code §41A.07(g)

an arbitrator has been filed under Comptroller Rule 9.4262 is pending, it is in the discretion of the Property Tax Assistance Division (PTAD) director whether to appoint the arbitrator who is the subject of the request or complaint to a particular matter until the complaint or request to remove is resolved.

Refusal of Appointment

If the Comptroller's office does not receive from the arbitrator written notice of acceptance or refusal of the appointment within 10 calendar days or less from the date on the Comptroller's notice or letter of appointment, the Comptroller's office presumes the appointment has been refused.

If the arbitrator is required to refuse the appointment, the arbitrator must provide the specific reason in writing to the Comptroller's office.⁶⁴ An arbitrator may not accept an appointment and may not continue an arbitration after appointment in the following circumstances:

- The arbitrator is or becomes not qualified as defined by Comptroller Rule 9.4258.
- The arbitrator is or becomes ineligible as defined by Comptroller Rule 9.4259.
- The arbitrator has an interest in the outcome of the arbitration.

An arbitrator cannot accept any appointment in a county in which the property that is the subject of the arbitration is located if, at any time during the two years preceding the appointment at issue, the person has engaged in the following activities in that same county's appraisal district:

- (1) represented any person or entity for compensation in any proceeding under the Property Tax Code;
- (2) served as an appraisal district officer or employee; or
- (3) served as an ARB member for the appraisal district.⁶⁵

A proceeding under the Property Tax Code begins with the filing of a notice of protest and includes: communications with appraisal district employees regarding a matter under protest; protest settlement negotiations; any appearance at an ARB hearing; any involvement in a binding arbitration under Tax Code Chapter 41A; and any involvement at either the district court or appellate court level of an appeal pursued under Tax Code Chapter 42. **Any person who has served as an officer or employee of any firm, company or other legal entity that has represented any person or entity for**

⁶⁴ Tex. Tax Code §41A.07(d)

⁶⁵ Tex. Tax Code §41A.07(f)

compensation in any proceeding as described above, is ineligible and may not accept the appointment.⁶⁶

If the arbitrator refuses the appointment, the Comptroller's office appoints a subsequent arbitrator from the registry immediately upon the receipt of notice or presumption of refusal. The process of arbitrator appointment continues in this fashion until a qualified and eligible arbitrator accepts the case.

Arbitrator Duties in LBA

Dismissal with Prejudice

An LBA request must be dismissed with prejudice by the arbitrator for lack of jurisdiction for the following reasons:

- A protest was not filed under Tax Code Chapter 41 for the subject property.⁶⁷
- Taxes on the subject property are delinquent for any prior year, have not been paid in full for the year at issue or have not been deferred under Tax Code Section 33.06 or 33.065; or the undisputed tax amount was not paid before the statutory delinquency date.⁶⁸
- The owner or agent has not delivered written notice to the ARB chair, chief appraiser and TLO for the applicable appraisal district as required by Tax Code Section 41A.015(b)(1).⁶⁹
- The property owner filed the request earlier than the 11th day or later than the 30th day after the notice required by Tax Code Section 41A.015(b)(1) was delivered to the ARB chair, chief appraiser and TLO for the applicable appraisal district.⁷⁰
- The ARB or chief appraiser complied with the procedural requirement that was the subject of the LBA request or the request was withdrawn by the property owner or agent.⁷¹

LBA Hearing and Determination

The arbitrator must manage the LBA according to Tax Code Chapter 41A and Comptroller Rules. The arbitrator determines compliance with procedural requirements and must dismiss a hearing if jurisdictional requirements are not met.

⁶⁶ Tex. Tax Code §41A.07(f)

⁶⁷ Tex. Tax Code §41A.015(a)

⁶⁸ Tex. Tax Code §41A.10(b)

⁶⁹ Tex. Tax Code §41A.015(b)(1)

⁷⁰ Tex. Tax Code §41A.015(b)(2)

⁷¹ Tex. Tax Code §41A.015(l)

The chief appraiser may appear by counsel, in person or by a designated employee and the ARB may appear by counsel, chairperson or a person designated by the chairperson.⁷²

After hearing both sides, the arbitrator must render a decision and complete Form 50-890. The arbitrator must send the completed form to the Comptroller's office and copies to the property owner, chief appraiser and ARB chairperson by email. The arbitrator's decision must include a determination of whether the ARB or chief appraiser failed to comply with a procedural requirement as alleged in the LBA request.⁷³ If the arbitrator determines the ARB or chief appraiser failed to comply with a procedural requirement as the request alleged, the arbitrator must direct the ARB or chief appraiser to comply with the procedural requirement,⁷⁴ or, if the hearing on the protest has been held and the ARB has issued an order determining the protest, the arbitrator must direct the ARB to rescind the order and hold a new hearing on the protest that complies with the procedural requirement.⁷⁵ The arbitrator's determination is final and cannot be appealed.⁷⁶

If the arbitrator determines the ARB or chief appraiser complied with the procedural requirement, the Comptroller's office pays the arbitrator's fee out of the property owner's arbitration deposit.⁷⁷ If the arbitrator determines the ARB or chief appraiser failed to comply with the procedural requirement, the appraisal district must pay the arbitrator's fee and the deposit is refunded to the property owner, less the Comptroller's \$50 administrative fee.⁷⁸ The ARB or the chief appraiser, as soon as practicable after receiving notice of a determination, must take any action required to comply with the determination.⁷⁹

A determination under this section does not affect the property owner's right to appeal the final ARB determination to district court under Tax Code Chapter 42 or to pursue any other statutory remedy available to the property owner.⁸⁰

The ARB or chief appraiser, as soon as practicable after receiving notice of a determination, must take any action required to comply with the determination.⁸¹

⁷² Tex. Tax Code §41A.015(h)

⁷³ Tex. Tax Code §41A.015(j)(1)

⁷⁴ Tex. Tax Code §41A.015(j)(2)(A)

⁷⁵ Tex. Tax Code §41A.015(j)(2)(B)

⁷⁶ Tex. Tax Code §41A.015(j)(2)

⁷⁷ Tex. Tax Code §41A.015(l)(1)

⁷⁸ Tex. Tax Code §41A.015(k)

⁷⁹ Tex. Tax Code §41A.015(m)

⁸⁰ Tex. Tax Code §41A.015(n)

⁸¹ Tex. Tax Code §41A.015(m)

Regular Binding Arbitration

Overview

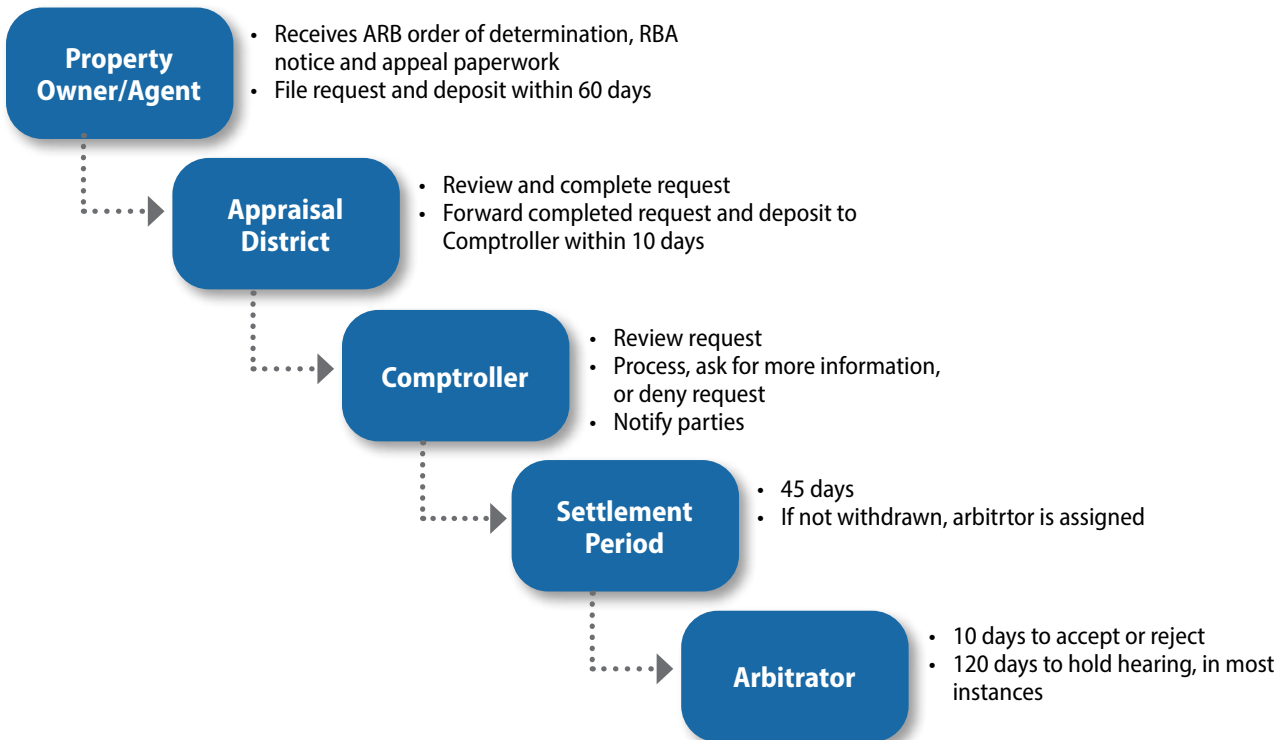
RBA is a process outlined in Tax Code Chapter 41A that allows property owners who meet certain qualification to appeal an ARB order determining a protest of a property’s appraised or market value or unequal appraisal. There are specific notice requirements and filing deadlines that are unique to RBA. Any eligible arbitrator may be appointed to hear an RBA case. **Exhibit 6** provides a visual representation of the RBA process, which begins after a protest has been determined by the ARB. The ARB sends notice of the property owner’s right to arbitration and a copy of the Comptroller’s *Request for Regular Binding Arbitration* (Form AP-219)

(**Appendix F**) with the order determining protest.⁸²

A property owner may appeal an ARB determination of a protest through RBA if the property is a residence homestead or valued by the ARB at \$5 million or less.⁸³ **Only protests filed under Tax Code Section 41.41(a)(1) or (2) can be protested in RBA.**⁸⁴ These are protests dealing with a property’s appraised or market value and unequal appraisal.⁸⁵

A property owner cannot pursue RBA if the taxes on the subject property are delinquent.⁸⁶ An appeal to RBA does not affect the delinquency date.⁸⁷

EXHIBIT 6
RBA Process Overview



⁸² Tex. Tax Code §41A.02

⁸³ Tex. Tax Code §41A.01

⁸⁴ Tex. Tax Code §41A.01

⁸⁵ Tex. Tax Code §41.41(a)(1) and (2)

⁸⁶ Tex. Tax Code §41A.10

⁸⁷ Tex. Tax Code §41A.10(a)

A property owner who files suit under Tax Code Chapter 42 waives his or her right to request RBA and the arbitrator must dismiss any RBA proceeding.⁸⁸ A property owner must decide between filing an appeal in district court and requesting RBA.

An arbitrator who accepts an arbitration appointment must conduct each arbitration proceeding according to the terms of Tax Code Chapter 41A and Comptroller Rules.

Request for RBA

The Comptroller’s office has the authority to create and require certain forms used in the RBA process.⁸⁹ The Comptroller’s office adopted Form AP-219 for property owners and agents to complete and submit to initiate an RBA appeal.⁹⁰ This form is available on the Comptroller’s website.

The RBA request must be timely filed using Comptroller Form AP-219, signed by the property owner or authorized agent, include a copy of the ARB order being appealed and include a deposit in the applicable amount reflected in **Exhibit 7**.⁹¹ If an authorized agent initiates the request, a copy of Comptroller Form 50-791 indicating the agent’s authority must be included with the request.⁹² A property owner may appeal contiguous property under a single deposit amount.⁹³

EXHIBIT 7
**Regular Binding Arbitration Deposit
and Arbitrator Fee Schedule**

PROPERTY TYPE	APPRAISED OR MARKET VALUE	DEPOSIT	ARBITRATOR FEE
Residence homestead	\$500,000 or less	\$ 450	\$ 400
	More than \$500,000	\$ 500	\$ 450
Not residence homestead	\$1 million or less	\$ 500	\$ 450
	More than \$1 million but not more than \$2 million	\$ 800	\$ 750
	More than \$2 million but not more than \$3 million	\$1,050	\$1,000
	More than \$3 million but not more than \$5 million	\$1,550	\$1,500

⁸⁸ Tex. Tax Code §41A.03(a)

⁸⁹ Tex. Admin. Code §9.4266

⁹⁰ Tex. Admin. Code §9.4266

⁹¹ Tex. Admin. Code §9.4252(b)

⁹² Tex. Admin. Code §9.4252(d)

⁹³ Tex. Admin. Code §9.4252(g)

The property owner or agent who files the request and who will receive a refund of the deposit amount must provide a Social Security number (SSN), Texas Identification Number (TIN) issued by the Comptroller’s office, Federal Employer Identification Number (FEIN) or Individual Taxpayer Identification Number (ITIN) issued by the Internal Revenue Service to individuals not eligible to obtain an SSN.⁹⁴ If an agent wishes to submit an FEIN, only FEINs for sole proprietorships are acceptable.⁹⁵

The Comptroller’s office requests that email addresses be provided on various forms, including Form AP-219 and Form 50-791. If email addresses are provided, it is considered a voluntary disclosure and constitutes consent to the collection and disclosure of the information for the purposes for which it was requested, and the email addresses may be subject to disclosure under the Texas Public Information Act.⁹⁶

The completed request along with the required documents and deposit must be submitted to the appraisal district by hand delivery, certified first-class mail or another service for which proof of delivery is provided.⁹⁷ The request must be made on Form AP-219.⁹⁸ The ARB must mail a copy of Form AP-219 with each order of determination for properties qualified as residence homestead or valued at \$5 million or less.⁹⁹

If a request involves contiguous tracts of land, each tract of land and ARB order must separately meet the requirements listed above; however, a single RBA deposit corresponding to the tract that would result in the highest deposit if filed separately is sufficient.¹⁰⁰ If it is determined that two or more tracts are not contiguous, the property owner may select the one property that will be arbitrated; otherwise, the property with the highest appraised or market value will be selected.¹⁰¹

Filing Deadlines

The property owner must file an RBA request with the appraisal district not later than 60 days after receiving the final order from the ARB.¹⁰² An RBA deposit in the required

⁹⁴ Tex. Admin. Code §9.4252(b)

⁹⁵ Tex. Admin. Code §9.4252(b)

⁹⁶ Tex. Admin. Code §9.4255(e)

⁹⁷ Tex. Admin. Code §9.4252(b)

⁹⁸ Tex. Admin. Code §9.4252(c)

⁹⁹ Tex. Admin. Code §9.4252(c)

¹⁰⁰ Tex. Admin. Code §9.4252(g)

¹⁰¹ Tex. Admin. Code §9.4252(g)

¹⁰² Tex. Tax Code §41A.03 and Tex. Admin. Code §9.4252

amount based on the property type and value and made payable to the Comptroller's office must be included.¹⁰³

A property owner who fails to strictly comply with the deadline and deposit requirements waives the property owner's right to request RBA.¹⁰⁴

Appraisal District Submission

Within 10 calendar days of receiving an RBA request, the appraisal district must:

- assign a unique 11-digit RBA number to each request;¹⁰⁵
- complete and sign the appraisal district's portion of the request;¹⁰⁶
- forward the completed request form, accompanying deposit, ARB order and Form 50-791, if provided, to the Comptroller's office;¹⁰⁷ and
- provide supporting documentation to the Comptroller's office for any items not checked in the appraisal district portion of the request.¹⁰⁸

The appraisal district's unique 11-digit RBA number assigned to each request must follow a specific sequence. The first three numbers are the county number, from 001 to 254; the next two numbers are the year of the protest; and the last six can be any number the appraisal district assigns. Some appraisal districts tie the last six digits to an account number, while most assign them in sequential order.

The appraisal district then delivers all the materials for the request to the Comptroller's office by hand delivery or by certified first-class mail and must simultaneously deliver a copy of the submission to the property owner or agent, as appropriate, by regular first-class mail or email.

Comptroller's Office Processing of RBA Requests

Exhibit 8 shows generally the steps the Comptroller's office follows for processing an RBA request. Each step is discussed more fully below.

EXHIBIT 8 RBA Processing Steps

1. Receive request for binding arbitration
2. Transfer deposit into Comptroller's arbitration account

¹⁰³ Tex. Admin. Code §9.4252(b) and (h)

¹⁰⁴ Tex. Tax Code §41A.03(b)

¹⁰⁵ Tex. Admin. Code §9.4254(a)(1)

¹⁰⁶ Tex. Admin. Code §9.4254(a)(2)

¹⁰⁷ Tex. Admin. Code §9.4254(a)(3)

¹⁰⁸ Tex. Admin. Code §9.4254(a)(3)

3. Review request to determine if it meets legal requirements
4. Notify property owner or agent of acceptance, inability to process or need to cure a defect
5. Allow property owner or agent 15 days to cure any defects
6. Request enters 45-day settlement period
7. Comptroller's office assigns an arbitrator if no settlement or withdrawal is filed within the 45-day settlement period

Upon receiving an RBA request from an appraisal district, the Comptroller's office immediately transfers the deposit into the Comptroller's arbitration account and the request and accompanying documents are scanned into an imaging system. Comptroller employees review the request to determine if there are any defects in the RBA request, whether the request can be cured or must not be processed.¹⁰⁹

Cure Period

Before determining a request cannot be processed, the Comptroller's office must notify the property owner or agent and the appraisal district of the defect in the request by regular first-class mail or email, at the Comptroller's office discretion.¹¹⁰ The Comptroller's office has the sole discretion to determine what is curable.¹¹¹ **If notified by email, the notification is deemed delivered on the date the Comptroller's office transmits the email.**¹¹² The property owner or agent has 15 days from the date of the Comptroller's notification to cure the defect.¹¹³ Any defect that cannot be cured or is not timely cured requires the Comptroller's office to not process the request and send notice of the non-processing to the property owner or authorized agent.¹¹⁴

Common reasons requests cannot be processed include the following:

- The request is not signed by the property owner or agent.
- An opinion of value is not provided on the request.
- A copy of the ARB order being appealed is not included.
- A completed Form 50-791 is not included with an agent-initiated request.
- The property owner or agent fails to address any other curable defect.

¹⁰⁹ Tex. Admin. Code §9.4255

¹¹⁰ Tex. Admin. Code §9.4255

¹¹¹ Tex. Admin. Code §9.4255(b)

¹¹² Tex. Admin. Code §9.4255

¹¹³ Tex. Admin. Code §9.4255(b)

¹¹⁴ Tex. Admin. Code §9.4255(b)

Settlement Period

After processing a request, the Comptroller's office sends the property owner or agent and the appraisal district a letter notifying them of the processing of the request.¹¹⁵ The request then enters a 45-day settlement period to allow the parties time to reach a settlement agreement prior to assignment of an arbitrator.¹¹⁶

The parties have 45 calendar days from the date on the Comptroller's letter or notice of processing in which to reach an agreement and settle the case or otherwise withdraw before an arbitrator is appointed.¹¹⁷

If the property owner or agent notifies the Comptroller's office in writing before an arbitrator accepts the case that the RBA request is withdrawn, the withdrawal will be considered timely and the deposit will be refunded, less the \$50 administrative fee due the Comptroller's office.¹¹⁸ A property owner or agent may use the *Notice of Arbitration Withdrawal* (Form 50-830) (**Appendix D**), to withdraw an RBA request.

If no withdrawal of the request is filed with the Comptroller's office within 45 days of the acceptance, the Comptroller's office assigns an arbitrator, and the arbitrator is entitled to charge a fee if the case is withdrawn after his or her acceptance.¹¹⁹

Arbitrator Appointment

After the 45 calendar-day settlement period expires, the Comptroller's office appoints an arbitrator who is both qualified and eligible for the appointment to resolve each valid RBA request.¹²⁰ Arbitrators are assigned in alphabetical order, based on the eligibility requirements. The Comptroller's office notifies the arbitrator of the appointment by regular first-class mail.¹²¹

The arbitrator has 10 calendar days from the date on the Comptroller's notice or letter of appointment to submit written acceptance or refusal of the appointment to the Comptroller's office.¹²² The arbitrator can deliver the notice of acceptance or refusal of the appointment to the Comptroller's

office by email, fax or regular first-class mail.¹²³ Whether the arbitrator timely accepted the appointment is solely within the discretion of the Comptroller's office.¹²⁴

After accepting the appointment, the Comptroller will send to the arbitrator the parties' contact information and the Comptroller's *Regular Binding Arbitration Determination and Award* (Form 50-704) (**Appendix J**). The arbitrator is encouraged to promptly contact both the property owner and appraisal district by telephone or email to arrange a date, time and location for the arbitration.

Eligibility for Appointment

To be eligible for initial appointment in an arbitration, an arbitrator must reside in Texas.¹²⁵ A property owner can request the Comptroller's office appoint an initial arbitrator who resides in the subject property's county or an arbitrator who resides outside that county. When appointing an initial arbitrator, the Comptroller's office complies with the property owner's request unless the property owner requests an arbitrator who resides in the subject property's county and no available arbitrator resides in that county. When appointing a substitute arbitrator, the Comptroller's office considers a property owner's request but is not required to comply.¹²⁶

If no available arbitrator on the registry resides in the county in which the property is located, the Comptroller's office will appoint an otherwise eligible arbitrator on the registry residing in another county in Texas.¹²⁷ The residency requirements outlined in Comptroller Rule 9.4258 determine the arbitrator's county of residence.

The Comptroller's office may not appoint a person listed as an arbitrator on the registry for good cause if the person is found to have engaged in repeated bias or misconduct while acting as an arbitrator.¹²⁸ If a request for removal or complaint against an arbitrator has been filed under Comptroller Rule 9.4262 is pending, it is in the discretion of the PTAD director whether to appoint the arbitrator who is the subject of the request or complaint to a particular matter until the complaint or request to remove is resolved.¹²⁹

¹¹⁵ Tex. Admin. Code §9.4255

¹¹⁶ Tex. Admin. Code §9.4255

¹¹⁷ Tex. Admin. Code §9.4255

¹¹⁸ Tex. Admin. Code §9.4255

¹¹⁹ Tex. Admin. Code §9.4255

¹²⁰ Tex. Admin. Code §9.4256(a)

¹²¹ Tex. Admin. Code §9.4256(c)

¹²² Tex. Admin. Code §9.4256(d)

¹²³ Tex. Admin. Code §9.4256(d)

¹²⁴ Tex. Admin. Code §9.4256(d)

¹²⁵ Tex. Tax Code §41A.07(e)

¹²⁶ Tex. Admin. Code §9.4259(b)

¹²⁷ Tex. Admin. Code §9.4259(b)

¹²⁸ Tex. Tax Code §41A.07(g)

¹²⁹ Tex. Admin. Code §9.4256(f)

Refusal of Appointment

If the Comptroller's office does not receive from the arbitrator written notice of acceptance or refusal of the appointment within 10 calendar days or less from the date on the Comptroller's notice or letter of appointment, the Comptroller's office presumes the appointment has been refused.¹³⁰

If the arbitrator is required to refuse the appointment, the arbitrator must provide the specific reason in writing to the Comptroller's office.¹³¹ An arbitrator may not accept an appointment and may not continue an arbitration after appointment in the following circumstances:

- The arbitrator is or becomes not qualified as defined by Comptroller Rule 9.4258.¹³²
- The arbitrator is or becomes ineligible as defined by Comptroller Rule 9.4259.¹³³
- The arbitrator has an interest in the outcome of the arbitration.¹³⁴

An arbitrator cannot accept any appointment in a county in which the property that is the subject of the arbitration is located if, at any time during the two years preceding the appointment at issue, the person has engaged in the following activities in that same county's appraisal district:

- (1) represented any person or entity for compensation in any proceeding under the Property Tax Code;
- (2) served as an appraisal district officer or employee; or
- (3) served as an ARB member for the appraisal district.¹³⁵

A proceeding under the Property Tax Code begins with the filing of a notice of protest and includes: communications with appraisal district employees regarding a matter under protest; protest settlement negotiations; any appearance at an ARB hearing; any involvement in a binding arbitration under Tax Code Chapter 41A; and any involvement at either the district court or appellate court level of an appeal pursued under Tax Code Chapter 42.¹³⁶ **Any person who has served as an officer or employee of any firm, company, or other legal entity that has represented any person or entity for**

compensation in any proceeding as described above, is ineligible and may not accept the appointment.¹³⁷

An arbitrator is ineligible for and cannot accept an appointment in any arbitration matter in which the arbitrator is related by affinity (marriage) within the second degree or by consanguinity (blood) within the third degree as determined under Government Code Chapter 573 and shown on **Exhibit 9**, to any of the following people who are deemed to be a party to the arbitration matter:

- (1) the property owner;¹³⁸
- (2) an appraisal district officer, employee or contractor responsible for appraising the property at issue;¹³⁹
- (3) an appraisal district board member responsible for appraising the property at issue;¹⁴⁰ or
- (4) an ARB member in the area in which the property at issue is located.¹⁴¹

An arbitrator is ineligible for and cannot accept an appointment as an arbitrator in any arbitration matter in which the arbitrator currently or during the previous five years has had a business relationship with the property owner, agent or the appraisal district involved in that arbitration matter.¹⁴²

If the arbitrator refuses the appointment, the Comptroller's office appoints a subsequent arbitrator from the registry immediately upon the receipt of notice or presumption of refusal.¹⁴³ The process of appointment of arbitrators continues in this fashion until an arbitrator accepts the case.

Substitute Arbitrator Requests

The property owner, agent or the appraisal district may request the Comptroller's office to appoint a substitute arbitrator before the arbitration hearing begins upon a showing that the assigned arbitrator was required to refuse the appointment; however, competent evidence must be provided.¹⁴⁴ The request must be made in writing before an arbitration hearing begins.

¹³⁰ Tex. Admin. Code §9.4256

¹³¹ Tex. Admin. Code §9.4256

¹³² Tex. Admin. Code §9.4256(g)(1)

¹³³ Tex. Admin. Code §9.4256(g)(2)

¹³⁴ Tex. Admin. Code §9.4256(g)(3)

¹³⁵ Tex. Tax Code §41A.07(f)

¹³⁶ Tex. Admin. Code §9.4259(e)(1)

¹³⁷ Tex. Admin. Code §9.4259(e)(2)

¹³⁸ Tex. Admin. Code §9.4259(f)(1)

¹³⁹ Tex. Admin. Code §9.4259(f)(2)

¹⁴⁰ Tex. Admin. Code §9.4259(f)(3)

¹⁴¹ Tex. Admin. Code §9.4259(f)(4)

¹⁴² Tex. Admin. Code §9.4259(g)

¹⁴³ Tex. Admin. Code §9.4256

¹⁴⁴ Tex. Admin. Code §9.4256(i)

EXHIBIT 9
Consanguinity and Affinity

1ST DEGREE
<p>BY CONSANGUINITY:</p> <ul style="list-style-type: none"> • parents • children
<p>BY AFFINITY:</p> <ul style="list-style-type: none"> • spouses of relatives listed under consanguinity • spouse • spouse’s parents • spouse’s children • stepparents • stepchildren
2ND DEGREE
<p>BY CONSANGUINITY:</p> <ul style="list-style-type: none"> • grandparents • grandchildren • brothers and sisters
<p>BY AFFINITY:</p> <ul style="list-style-type: none"> • spouses of relatives listed under consanguinity • spouse’s grandparents • spouse’s grandchildren • spouse’s brothers and sisters
3RD DEGREE
<p>BY CONSANGUINITY:</p> <ul style="list-style-type: none"> • great-grandparents • great-grandchildren • nieces and nephews • aunts and uncles

Arbitrator Duties in RBA

The arbitrator must dismiss a pending RBA action with prejudice, for lack of jurisdiction, under any one of the following six circumstances.

- The taxes on the property subject to the appeal are delinquent because all property taxes due have not been paid for prior years or the undisputed tax amount for the year at issue was not paid before the delinquency date.¹⁴⁵
- The protest was not filed for an appeal under Tax Code Section 41.41(a)(1) or (2).¹⁴⁶
- The property is not a residence homestead or the property value on the ARB order determining protest is over \$5 million.¹⁴⁷
- The RBA request was filed more than 60 days after receipt of the ARB order determining protest.¹⁴⁸
- The property owner also filed an appeal with the district court.¹⁴⁹
- The property owner or agent and appraisal district have executed a written agreement resolving the matter.¹⁵⁰

When an RBA proceeding involves two or more contiguous tracts of land, the arbitrator must dismiss from the proceeding each tract of land and each ARB order appealed in which it is determined that any of the properties are not contiguous.¹⁵¹ The combined total value of all ARB orders appealed may exceed the \$5 million threshold so long as each individual tract meets the \$5 million limit.¹⁵²

¹⁴⁵ Tex. Admin. Code §9.4261(m)(1)

¹⁴⁶ Tex. Admin. Code §9.4261(m)(2)

¹⁴⁷ Tex. Admin. Code §9.4261(m)(3)

¹⁴⁸ Tex. Admin. Code §9.4261(m)(4)

¹⁴⁹ Tex. Admin. Code §9.4261(m)(5)

¹⁵⁰ Tex. Admin. Code §9.4261(m)(6)

¹⁵¹ Tex. Admin. Code §9.4261(n)

¹⁵² Tex. Admin. Code §9.4261(n)

Arbitration Hearing and Determination

An arbitrator who accepts an arbitration appointment must conduct each arbitration proceeding according to the terms of Tax Code Chapter 41A and Comptroller Rules.¹⁵³

An arbitration commences with the initiation of a request for binding arbitration. The arbitration may be concluded, either without or after a hearing, by:

- non-processing of the request for binding arbitration;
- issuance of Forms 50-704 or 50-890 which may include dismissal of the case; or
- withdrawal of the request for binding arbitration with or without a settlement agreement between the parties finally resolving the matter.¹⁵⁴

Agent Representation

A property owner who files a request for binding arbitration may be represented by an agent. Only certain professionals may be appointed to act as an agent in binding arbitration.¹⁵⁵ Agents must hold a current and active license, certification or registration as outlined in **Exhibit 10**.¹⁵⁶

EXHIBIT 10 Agent License Requirements

<p>Attorney licensed in Texas¹⁵⁷ Real estate broker or sales agent licensed under Occupations Code Chapter 1101¹⁵⁸ Real estate appraiser licensed under Occupations Code Chapter 1103¹⁵⁹ Property tax consultant registered under Occupations Code Chapter 1152¹⁶⁰ Certified public accountant licensed under Occupations Code Chapter 901¹⁶¹</p>
--

For a property owner to be represented by an agent in binding arbitration, the property owner or authorized individual is required to complete and sign either Comptroller Form

50-791, or Form 50-836.¹⁶² No other agent appointment or authorization form or document is acceptable.¹⁶³ Only the property owner or authorized individual can sign Forms 50-791 or 50-836.¹⁶⁴ Neither the agent identified in Comptroller Rule 9.4253 nor an agent appointed under Tax Code Section 1.111 may sign Forms 50-791 or 50-836.¹⁶⁵

Authorized agents may:

- (1) sign and file or initiate the request for binding arbitration to start the appeal;¹⁶⁶
- (2) receive and send communications regarding the binding arbitration proceeding;¹⁶⁷
- (3) negotiate with the appraisal district to try to settle a binding arbitration case before the hearing;¹⁶⁸
- (4) execute a settlement agreement with the appraisal district to resolve the binding arbitration without a hearing;¹⁶⁹
- (5) withdraw a request for binding arbitration;¹⁷⁰ and
- (6) appear and represent the property owner at the binding arbitration hearing.¹⁷¹

A property owner must identify on Form 50-791 or 50-836 a specific, qualified individual and may also identify a second specific, qualified individual.¹⁷² Unless the alternate agent is with the same organization as the first individual identified as an agent, the alternate agent is not recognized as authorized to act unless the alternate agent provides written notice to the appraisal district and to the appointed arbitrator that the first agent is not available.¹⁷³ A company or business entity does not qualify as an agent.¹⁷⁴

In completing Forms 50-791 for 50-836, the property owner's name, current mailing address, phone number and email

¹⁵³ Tex. Admin. Code §9.4260(a)

¹⁵⁴ Tex. Admin. Code §9.4261(a)

¹⁵⁵ Tex. Tax Code §41A.08(b) and Tex. Admin. Code §§9.4251 and 9.4253

¹⁵⁶ Tex. Admin. Code §9.4253

¹⁵⁷ Tex. Tax Code §41A.08(b)(2)

¹⁵⁸ Tex. Tax Code §41A.08(b)(3)

¹⁵⁹ Tex. Tax Code §41A.08(b)(3)

¹⁶⁰ Tex. Tax Code §41A.08(b)(4)

¹⁶¹ Tex. Tax Code §41A.08(b)(5)

¹⁶² Tex. Admin. Code §9.4253(c)

¹⁶³ Tex. Admin. Code §9.4253(c)

¹⁶⁴ Tex. Admin. Code §9.4253(c)

¹⁶⁵ Tex. Admin. Code §9.4253(c)

¹⁶⁶ Tex. Admin. Code §9.4253(d)(1)

¹⁶⁷ Tex. Admin. Code §9.4253(d)(2)

¹⁶⁸ Tex. Admin. Code §9.4253(d)(3)

¹⁶⁹ Tex. Admin. Code §9.4253(d)(4)

¹⁷⁰ Tex. Admin. Code §9.4253(d)(5)

¹⁷¹ Tex. Admin. Code §9.4253(d)(6)

¹⁷² Tex. Admin. Code §9.4253(e)

¹⁷³ Tex. Admin. Code §9.4253(e)

¹⁷⁴ Tex. Admin. Code §9.4253(e)

address (if available) must be provided.¹⁷⁵ If the property owner is not an individual, an authorized individual must complete and sign the form on behalf of the property owner.¹⁷⁶ The form must include the authorized individual's name, contact information and the basis for his or her authority.¹⁷⁷ The authorized individual may be asked to show his or her authority to sign on behalf of the property owner or legal entity.¹⁷⁸ If a concern arises regarding the authority of the agent to represent the property owner in a particular arbitration, the arbitrator will contact the property owner or authorized individual directly to resolve the matter.¹⁷⁹

Hearing Location

Arbitrators must notify the Comptroller's office of agreement to conduct a hearing in the manner specified by the property owner or agent before accepting any appointment.¹⁸⁰ The arbitrator may decide whether to conduct the arbitration in person or by teleconference unless the property owner or agent indicates on the request that the arbitration be conducted in person or by teleconference only.¹⁸¹ The hearing type requested is located on the top right-hand corner of Form 50-705 or Form 50-891.

If the property owner or agent specifies in-person hearing, the arbitrator must conduct an in-person hearing in the county in which the property subject to the protest is located or ARB order was issued, unless the parties agree to another location.¹⁸² If the arbitration is conducted in person, the arbitrator and all parties shall appear in person for the hearing.¹⁸³ An in-person hearing must be held in an office-type setting generally open to the public or to the arbitrator and includes conference rooms in an office or residential building.¹⁸⁴ It is the arbitrator's responsibility to select a location and any cost incurred may not be charged to the parties.

If an arbitrator is unable to conduct the hearing type requested, the arbitrator should decline the hearing so another arbitrator can be assigned.¹⁸⁵ The option to decline the hearing

for being unable to conduct the hearing type requested on Forms 50-705 or 50-891.

Scheduling the Hearing

Arbitrators are responsible for setting the time and date for the hearing so they should:

- promptly notify the parties of the appointment by telephone or email;¹⁸⁶
- propose one or more dates for the arbitration hearing;¹⁸⁷
- request alternate hearing dates from the parties if the date(s) proposed is not acceptable;¹⁸⁸ and
- cooperate with the parties in scheduling the arbitration hearing.¹⁸⁹

The arbitrator must serve the notice of scheduled hearing with the agreed date and time to the parties by email and provide a paper copy to the property owner or agent by first-class mail.¹⁹⁰ Every effort should be made to cooperate with the parties to reach an agreed upon date for the hearing.¹⁹¹ If no agreement is reached after fourteen or more calendar days of the arbitrator's initial contact attempt, the arbitrator:

- sets the hearing date;
- provides notice a minimum of 21 calendar days before the hearing; and
- serves the notice to the parties by email and provides a paper copy to the property owner or agent through the U.S. Postal Service or a private, third-party service, such as FedEx or UPS, so long as proof of delivery is provided.¹⁹²

Notice of Hearing

The arbitrator must provide or include in the written notice of hearing the following minimum information:

- the assigned arbitration number;
- the hearing date and time;
- the physical address of the hearing location, if the hearing is in person;
- the date by which the parties must exchange evidence before the hearing;

¹⁷⁵ Tex. Admin. Code §9.4253(f)

¹⁷⁶ Tex. Admin. Code §9.4253(f)

¹⁷⁷ Tex. Admin. Code §9.4253(f)

¹⁷⁸ Tex. Admin. Code §9.4253(f)

¹⁷⁹ Tex. Admin. Code §9.4253(f)

¹⁸⁰ Tex. Admin. Code §9.4260

¹⁸¹ Tex. Admin. Code §9.4261(b)

¹⁸² Tex. Admin. Code §9.4261(b)

¹⁸³ Tex. Admin. Code §9.4261(b)

¹⁸⁴ Tex. Admin. Code §9.4261(b)

¹⁸⁵ Tex. Admin. Code §9.4261

¹⁸⁶ Tex. Admin. Code §9.4261(c)

¹⁸⁷ Tex. Admin. Code §9.4261(c)

¹⁸⁸ Tex. Admin. Code §9.4261(c)

¹⁸⁹ Tex. Admin. Code §9.4261(c)

¹⁹⁰ Tex. Admin. Code §9.4261(d)(1)

¹⁹¹ Tex. Admin. Code §9.4261(c)

¹⁹² Tex. Admin. Code §9.4261(d)(2)

- the arbitrator’s contact information, including email address, phone number, mailing address and fax number, if available;
- a copy of the arbitrator’s written hearing procedures;
- the methods – including email, U.S. first-class mail or overnight or personal delivery – by which the parties are to communicate and exchange materials; and
- any other matter about which the arbitrator wishes to advise the parties before the hearing.¹⁹³

The arbitrator may hear and determine the controversy on the evidence produced at the hearing even if a party fails to appear, so long as the party has received written notice of the hearing as required.¹⁹⁴ Appearance at the hearing waives any defect in the notice.¹⁹⁵

Continuance

The arbitrator may continue a hearing for reasonable cause but must continue a hearing if all parties agree to the continuance.¹⁹⁶

Arbitration Hearing

Each party at the hearing is entitled to:

- be heard;
- present evidence material to the controversy; and
- cross-examine any witnesses.¹⁹⁷

The arbitrator swears in each witness testifying to affirm that the testimony about to be given is the truth, the whole truth and nothing but the truth.¹⁹⁸ The arbitrator’s decision is based solely on the evidence provided at the hearing.¹⁹⁹

The parties may represent themselves or, at their own cost, may be represented by an agent if the requirements of Comptroller Rule 9.4253 have been met.²⁰⁰

The arbitrator must complete an arbitration hearing in a timely manner and make every effort to complete the proceeding within 120 days from acceptance of the appointment.²⁰¹ Failure to comply with the timely completion of arbitration

hearings may constitute good cause for removal of the arbitrator from the Comptroller’s arbitrator registry.²⁰²

Hearing Procedures

The arbitrator determines to what extent the arbitration hearing procedures are formal or informal.²⁰³ A copy of the written procedures delivered to the parties with the hearing notice must be available at the hearing.²⁰⁴

The parties can record audio of the proceedings but may record video only with the consent of the arbitrator.²⁰⁵ This should be addressed in the written procedures. The procedures at a minimum should cover:

- **Introductory statement** welcoming the parties and providing expectations for the hearing. It includes information on administering an oath or affirmation to begin the hearing, the amount of time each side is allowed for presenting evidence, rebuttals and cross-examinations and the conduct expected of the parties.
- **Ex parte communication** explanation covering types of prohibited communications.
- **Exchange of evidence process** and the dates for evidence and rebuttal exchange and consequences of failure to comply with the deadlines.
- **Audiovisual equipment information** advising the parties that audio recordings may be made, but video recordings are at the arbitrator’s discretion.
- **Teleconference hearing information** providing the telephone number to be used if a teleconference hearing is held, including contingency plans for failed service, dropped calls or other technological or access problems.
- **Continuances, postponements and no-shows**, the parties’ rights to them and consequences of not attending a hearing.
- **Emergencies** and how they are handled, such as:
 - Forecasted natural disasters may result in a venue change or a postponement.
 - Unforeseen situations such as power failures or building fire drills may result in a continuance.
- **Arbitration determination and award issuance**, including how quickly awards are issued, how the parties are notified and that the award forms include the assigned values.

¹⁹³ Tex. Admin. Code §9.4261(e)

¹⁹⁴ Tex. Admin. Code §9.4261(f)

¹⁹⁵ Tex. Admin. Code §9.4261(f)

¹⁹⁶ Tex. Admin. Code §9.4261(f)

¹⁹⁷ Tex. Admin. Code §9.4261(g)

¹⁹⁸ Tex. Admin. Code §9.4261(g)

¹⁹⁹ Tex. Admin. Code §9.4261(g)

²⁰⁰ Tex. Admin. Code §9.4261(i)

²⁰¹ Tex. Admin. Code §9.4261(o)

²⁰² Tex. Admin. Code §9.4261(o)

²⁰³ Tex. Admin. Code §9.4261(h)

²⁰⁴ Tex. Admin. Code §9.4261(h)

²⁰⁵ Tex. Admin. Code §9.4261(h)

Determination and Award

In RBA the arbitrator determines the subject property's appraised or market value.²⁰⁶ In LBA the arbitrator determines whether the ARB or chief appraiser failed to comply with a procedural requirement, as alleged in the request.²⁰⁷ No later than 20 days after the hearing, the arbitrator makes an award determination and notifies all parties with a copy of either Form 50-704 or Form 50-890.²⁰⁸ The Comptroller's office provides the arbitrator with this form when he or she accepts the arbitration assignment. No other document may be used to issue the arbitrator's award. It is not necessary nor encouraged to attach any other letter or document to the prescribed form.

The arbitrator must deliver a copy of Form 50-704 electronically, by fax or by regular first-class mail, to the property owner or agent, Comptroller's office and appraisal district.²⁰⁹ The arbitrator must deliver a copy of Form 50-890 electronically to the property owner or agent, ARB chairperson, Comptroller's office and appraisal district.²¹⁰

If in RBA the arbitrator determines the appraised property value that qualifies for special appraisal under Tax Code Chapter 23, Subchapter B, C, D, E or H, the statutory provisions regarding special appraisal, he or she must follow Comptroller rules and the Comptroller's special appraisal manuals in making the appraised value determination.²¹¹

If in RBA the arbitrator determines that a residence homestead's appraised value is less than its market value due to the appraised value limitation required by Tax Code Section 23.23, the appraised value may not be changed except in the following three instances:

- (1) The arbitrator determines that the formula for calculating the property's appraised value under Tax Code Section 23.23 was incorrectly applied, and the change correctly applies the formula.²¹²
- (2) The calculation of the property's appraised value reflected in the ARB order includes an amount attributable to new improvements, and the change reflects the

arbitrator's determination of the value contributed by the new improvements.²¹³

- (3) The arbitrator determines that the property's market value is less than the appraised value indicated on the ARB order, and the change reduces the appraised value to the market value determined by the arbitrator.²¹⁴

If in LBA the arbitrator determines the ARB or chief appraiser failed to comply with the procedural requirement that was the subject of the LBA, the arbitrator shall direct the ARB or chief appraiser, as applicable, to:

- (1) comply with the procedural requirement; and²¹⁵
- (2) if a hearing on a protest has been held and the ARB has issued a final order of determination, rescind the order and hold a new hearing on the protest that complies with the procedural requirement.²¹⁶

An RBA award is final and may not be appealed, except as permitted under Civil Practice and Remedies Code Section 171.088, and may be enforced in the manner provided by Civil Practice and Remedies Code Chapter 171, Subchapter D.²¹⁷ An LBA determination is final and may not be appealed.²¹⁸

Payment for Services

Each deposit submitted with an arbitration request is assigned a unique reference number associated with the specific arbitration and deposited into the Comptroller's arbitration fund account.

After the Comptroller's office retains \$50 of the deposit for administrative costs, the payment of arbitrators' fees and arbitration deposit refunds are processed in the following manner:

- If in RBA the arbitrator's determination is nearer to the property owner's opinion of the property's value (as stated in the RBA request) than the value reflected in the ARB order, the Comptroller's office refunds the property owner's RBA deposit. In this case, the appraisal district, on receipt of a copy of the award, must pay the arbitrator's fee.²¹⁹
- If in RBA the arbitrator's determination is not nearer to the property owner's opinion of the property's value (as

²⁰⁶ Tex. Admin. Code §9.4263(a)

²⁰⁷ Tex. Tax Code §41A.015(j)

²⁰⁸ Tex. Admin. Code §9.4263(d)

²⁰⁹ Tex. Admin. Code §9.4263(d)

²¹⁰ Tex. Tax Code §41A.015(i)

²¹¹ Tex. Admin. Code §9.4263(b)

²¹² Tex. Admin. Code §9.4263(c)(1)

²¹³ Tex. Admin. Code §9.4263(c)(2)

²¹⁴ Tex. Admin. Code §9.4263(c)(3)

²¹⁵ Tex. Tax Code §41A.015(j)(1)

²¹⁶ Tex. Tax Code §41A.015(j)(2)

²¹⁷ Tex. Admin. Code §9.4263(e)

²¹⁸ Tex. Tax Code §41A.015(j)(4)

²¹⁹ Tex. Tax Code §41A.09 (c) and Tex. Admin. Code §9.4264(b)(1)

stated in the RBA request) than the value reflected in the ARB order, the Comptroller’s office pays the arbitrator’s fee out of the property owner’s RBA deposit.²²⁰

- If in RBA the arbitrator’s determination is exactly one-half of the difference in value between the property owner’s opinion of the property’s value (as stated in the RBA request) and the ARB order, the Comptroller’s office pays the arbitrator’s fee out of the property owner’s RBA deposit.²²¹
- If in LBA the arbitrator determines the ARB or chief appraiser failed to comply with a procedural requirement that was the subject of the LBA request, the Comptroller’s office refunds the property owner’s LBA deposit. In this case, the appraisal district, on receipt of a copy of the award, must pay the arbitrator’s fee.²²²
- If in LBA the arbitrator determines the ARB or chief appraiser complied with the procedural requirement that was the subject of the LBA request, the Comptroller’s office pays the arbitrator’s fee out of the property owner’s LBA deposit.²²³

Arbitrators may charge fees according to the charts in **Exhibit 11**.²²⁴ These fees are set by statute. An arbitrator cannot collect a fee that is more than the applicable amount stated on these fee schedules.

EXHIBIT 11
RBA Arbitrator Fee Schedule

PROPERTY TYPE	APPRAISED OR MARKET VALUE	DEPOSIT	ARBITRATOR FEE
Residence homestead	\$500,000 or less	\$ 450	\$ 400
	More than \$500,000	\$ 500	\$ 450
Not residence homestead	\$1 million or less	\$ 500	\$ 450
	More than \$1 million but not more than \$2 million	\$ 800	\$ 750
	More than \$2 million but not more than \$3 million	\$1,050	\$1,000
	More than \$3 million but not more than \$5 million	\$1,550	\$1,500

²²⁰ Tex. Tax Code §41A.09 (d) and Tex. Admin. Code §9.4264(b)(2)

²²¹ Tex. Admin. Code §9.4264(b)(3)

²²² Tex. Tax Code §41A.015(k)

²²³ Tex. Tax Code §41A.015(l)

²²⁴ Tex. Tax Code §41A.06(b)(4), Tex. Admin. Code §9.4260(d) and Tex. Tax Code §41A.015(e)

LBA Arbitrator Fee Schedule

PROPERTY TYPE	APPRAISED OR MARKET VALUE	DEPOSIT	ARBITRATOR FEE
Residence homestead	\$500,000 or less	\$450	\$400
Residence homestead	More than \$500,000	\$550	\$500
All other property	Any value	\$550	\$500

Unless the appraisal district is to pay the arbitrator’s fee, the arbitrator’s fee will be paid from the property owner’s deposit and mailed to the address shown on the arbitrator’s registry application.²²⁵ If the arbitrator’s fee is less than the maximum allowable fee, the Comptroller’s office refunds to the property owner or agent any remaining deposit, less \$50 retained by the Comptroller’s office for administrative costs.²²⁶ If the arbitrator’s fee is the maximum allowable, the Comptroller’s office retains \$50 of the deposit for administrative costs and issues no refund.²²⁷

If the Comptroller’s office does not process a request, it refunds the deposit to the property owner or agent, less the \$50 retained by the Comptroller’s office for administrative costs.²²⁸

The Comptroller’s office pays the arbitrator’s fee out of the deposit if the arbitrator dismisses a pending RBA for the following reasons:

- the ARB order(s) appealed did not determine a protest concerning either the property’s appraised or market value or unequal property appraisal;
- the ARB-determined appraised or market value of the property was more than \$5 million or the property did not qualify as the owner’s residence homestead;
- the arbitration request was not timely filed with the appraisal district;
- the property owner filed an appeal with the district court; or
- the property owner or agent and appraisal district executed a written agreement resolving the matter.²²⁹

The Comptroller’s office pays the arbitrator’s fee out of the deposit if the arbitrator dismisses a pending LBA for the following reasons:

²²⁵ Tex. Admin. Code §9.4264(d)

²²⁶ Tex. Admin. Code §9.4264(d)

²²⁷ Tex. Admin. Code §9.4264(d)

²²⁸ Tex. Tax Code §41A.10(a) and Tex. Admin. Code §9.4264(e)

²²⁹ Tex. Admin. Code §9.4264(f)

- a protest was not filed under Tax Code Chapter 41 for the subject property;²³⁰
- the owner or agent did not deliver the required written notice to the ARB chair, chief appraiser and TLO;²³¹
- the arbitration request was not timely filed with the Comptroller's office;²³²
- the property owner filed an appeal with the district court; or
- the ARB or chief appraiser complied with the procedural requirement that was the subject of the LBA request.²³³
- the request does not involve an issue allowed for LBA or the request was settled or withdrawn.

If the arbitrator dismisses the arbitration for delinquent taxes, the Comptroller's office refunds the deposit to the property owner or agent, less the \$50 retained by the Comptroller's office for administrative costs.²³⁴

If the Comptroller's office receives written notice of withdrawal from the property owner or agent before an arbitrator has accepted the case, the Comptroller's office refunds the deposit to the property owner or agent, less the \$50 retained by the Comptroller's office for administrative costs.²³⁵ If the property owner or agent does not notify the Comptroller's office of the withdrawal in writing before an arbitrator has accepted the case, the Comptroller's office pays the arbitrator's fee, if any, out of the deposit.²³⁶

Refunds and payments are subject to the provisions of Government Code Section 403.055.²³⁷ Deposit refunds will not be processed without the required identification as provided in Forms AP-219, AP-241, 50-791 and 50-836.²³⁸ The Comptroller's office will not issue a warrant for payment to a person who is indebted to the state or owes a tax delinquency to the state until the indebtedness or delinquency has been fully satisfied.²³⁹

²³⁰ Tex. Tax Code §41A.015(a)

²³¹ Tex. Tax Code §41A.015(b)(1)

²³² Tex. Tax Code §41A.015(b)(2)

²³³ Tex. Tax Code §41A.015(l)

²³⁴ Tex. Admin. Code §9.4264(f)

²³⁵ Tex. Admin. Code §9.4264(g)

²³⁶ Tex. Admin. Code §9.4264(g)

²³⁷ Tex. Admin. Code §9.4264(h)

²³⁸ Tex. Admin. Code §9.4264(h)

²³⁹ Tex. Admin. Code §9.4264(h)

Prohibited Communications

The Comptroller’s office is responsible for maintaining the arbitrator registry, processing requests, remitting payment to the arbitrator when appropriate and refunding any portion of the property owner’s deposit as applicable, but is prohibited from giving advice or direction on a matter relating to a pending arbitration.

Communications

No party to an arbitration, including a property owner, agent, appraisal district representative or arbitrator, may seek advice or direction from the Comptroller’s office on a matter relating to a pending arbitration.²⁴⁰ An arbitration is pending from the date an arbitration request is filed and continues until delivery of the arbitrator’s final arbitration determination and award.²⁴¹ This prohibition does not apply to administrative matters assigned to the Comptroller’s office, such as the processing of arbitration requests and deposits.²⁴²

An arbitrator must avoid ex parte communications. Ex parte is a legal term defined as one of the involved parties are not present or not represented. Arbitrators must be very careful to maintain an unbiased approach to each property under protest.

The arbitrator cannot communicate with the property owner, agent or appraisal district, nor can they communicate with the arbitrator, prior to the arbitration hearing or after the arbitration hearing and before the arbitration determination and award is issued concerning any of the following pertaining to the arbitration subject property:

- specific evidence;
- arguments;
- facts; or
- merits.²⁴³

Such communications may be grounds for the removal of the arbitrator from the Comptroller’s registry.²⁴⁴

²⁴⁰ Tex. Admin. Code §9.4265

²⁴¹ Tex. Admin. Code §9.4265

²⁴² Tex. Admin. Code §9.4265

²⁴³ Tex. Admin. Code §9.4261(l)

²⁴⁴ Tex. Admin. Code §9.4261(l)

Confidentiality

The confidentiality provisions of Tax Code Section 22.27 concerning information provided to an appraisal office apply to confidential information provided to arbitrators.

Rendition statements, real and personal property reports, attachments to those statements and reports and other information the parties provide to the arbitrator in connection with the property appraisal are confidential. This includes a property’s income and expense information and sales prices (after a promise it will be held confidential).²⁴⁵ A list of confidential information is found in **Exhibit 12**.

EXHIBIT 12

Confidential Information

INFORMATION TYPE
Rendition statements
Real property reports, including attachments to those statements and reports
Personal property reports, including attachments to those statements and reports
Income and expense information
Information provided in connection with the appraisal

The information may not be disclosed except as provided by law.²⁴⁶ If any portion of the materials submitted are deemed confidential, that portion considered confidential must be designated confidential to protect it from disclosure.²⁴⁷

²⁴⁵ Tex. Tax Code §22.07(a)

²⁴⁶ Tex. Admin. Code §§9.4261(k) and 9.4262(e)

²⁴⁷ Tex. Admin. Code §9.4262(e)

Appraisal Concepts

The majority of protests filed in Texas each year involve whether the owner's property was correctly appraised.²⁴⁸ Tax Code Chapter 23 sets out the standards that apply to appraisals for property tax purposes.²⁴⁹ Tax Code Section 23.01(a) states, "Except as otherwise provided by this chapter, all taxable property is appraised at its market value as of January 1."²⁵⁰

Tax Code Section 1.04(7) specifically defines market value as:

Market value is the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- (A) exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- (B) both the seller and purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and
- (C) both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of . . . the other.²⁵¹

All taxable property must be appraised at its market value unless the law provides for a different value.²⁵² For example, land designated for agricultural (ag) use is taxed on its productivity value rather than its market value.²⁵³

Generally Accepted Appraisal Methods and Techniques

Tax Code Section 23.01(b) sets the following professional standard for determining market value:

The market value of property shall be determined by the application of generally accepted appraisal methods and techniques. If the appraisal district determines the appraised value of the property using mass appraisal standards, the mass appraisal

standards must comply with the Uniform Standards of Professional Appraisal Practice. The same or similar appraisal methods and techniques shall be used in appraising the same or similar kinds of property. Each property shall be appraised based upon the individual characteristics that affect the property's market value, and all available evidence that is specific to the value of the property shall be taken into account in determining the property's market value.²⁵⁴

What is USPAP?

Texas law requires that a property's market value be determined as of Jan. 1 by the application of generally accepted appraisal methods and techniques.²⁵⁵ If an appraisal district uses mass appraisal methods to determine appraised value—which most do—it must comply with the Uniform Standards of Professional Appraisal Practice (USPAP).²⁵⁶ The Appraisal Foundation, authorized by the U.S. Congress to set appraisal standards and appraiser qualifications, developed USPAP for use by professional appraisers in the United States. The Appraisal Foundation also provides guidance on recognized valuation methods and techniques for all valuation professionals.²⁵⁷ Copies of USPAP are available at www.appraisal-foundation.org.

What is Mass Appraisal?

Appraisal districts collectively are required to value millions of properties. There are roughly 17 million properties in the state of Texas. They have neither the time nor the money to separately appraise each individual property. Instead, they use mass appraisal which The Appraisal Foundation defines as "the process of valuing a universe of properties as of a given date using standard methodology, employing common data, and allowing for statistical testing."²⁵⁸

²⁴⁸ Tex. Tax Code §41.41(a)(1)

²⁴⁹ Tex. Tax Code Chapter 23

²⁵⁰ Tex. Tax Code §23.01(a)

²⁵¹ Tex. Tax Code §1.04(7)

²⁵² Tex. Tax Code §23.01(a)

²⁵³ Tex. Tax Code §23.41

²⁵⁴ Tex. Tax Code §23.01(b)

²⁵⁵ Tex. Tax Code §23.01(a) and (b)

²⁵⁶ Tex. Tax Code §23.01(b)

²⁵⁷ http://www.appraisalfoundation.org/imis/TAF/About_Us/TAF/About_Us.aspx;

²⁵⁸ Uniform Standards of Professional Appraisal Practice, 2020-21 Edition, p. 5

USPAP Standard 5: Mass Appraisal, Development – which applies to appraisal districts performing mass appraisals – states that a “mass appraisal includes:

- identifying properties to be appraised;
- defining market area of consistent behavior that applies to properties;
- identifying characteristics (supply and demand) that affect the creation of value in that market area;
- developing a model structure that reflects the relationship among the characteristics affecting value in the market area;
- calibrating the model structure to determine the contribution of the individual characteristics affecting value;
- applying the conclusions reflected in the model to the characteristics of the property(ies) being appraised; and
- reviewing the mass appraisal results.”²⁵⁹

The International Association of Assessing Officer’s (IAAO) *Property Appraisal and Assessment Administration*, explains the difference between mass appraisal and single-property appraisal:

Assessors need skills in both mass appraisal and single-property appraisal, skills in mass appraisal to produce the initial values in a reappraisal and in single-property appraisal to defend assessed values within the courts and to appraise special-purpose properties not easily valued by mass appraisal. Simply stated, single-property appraisal is the valuation of a particular property as of a given date; mass appraisal is the valuation of many properties as of a given date, using standard procedures and statistical testing. Both require market research. The principal differences are in scale and quality control.²⁶⁰

The IAAO’s *Fundamentals of Mass Appraisal* explains the use of models – representations of how something works – in the mass appraisal context:

Property valuation models express the forces of supply and demand at work in the local market and seek to explain or predict the market value of properties from available real estate data. They are based on the sales comparison, cost, and income approaches to value.

Because the models necessarily reflect the vicissitudes of the marketplace, mass appraisal model building requires sound appraisal theory, data analysis, and research methods. The best models are appropriate, credible, and reliable. Models that reflect the local market are also easier to defend.²⁶¹

The IAAO, founded in 1934, is a nonprofit, educational and research association. It is a professional organization of government assessment officials and others interested in the administration of property tax with members worldwide from governmental, business and academic communities.

Three Approaches to Value

According to Tax Code Section 23.0101, . . . “In determining the market value of property, the chief appraiser shall consider the cost, income, and market data [or sales] comparison methods of appraisal and use the most appropriate method.”²⁶² Tax Code Section 23.013 describes the market data [or sales] comparison method of appraisal, Tax Code Section 23.012 describes the income method of appraisal and Tax Code Section 23.011 describes the cost method of appraisal.²⁶³ Generally speaking, the sales comparison approach, the income approach and the cost approach are the three standard market valuation methods the appraisal profession recognizes.²⁶⁴

²⁵⁹ Uniform Standards of Professional Appraisal Practice, 2020-21 Edition, p. 32

²⁶⁰ Joseph K. Eckert, Ph.D., Robert J. Gloude-mans, Richard R. Almy, *Property Appraisal and Assessment Administration*, p. 88 (1990) (IAAO publication)

²⁶¹ Robert J. Gloude-mans, Richard R. Almy, *Fundamentals of Mass Appraisal*, p. 249 (2011) (IAAO publication)

²⁶² Tex. Tax Code §23.0101

²⁶³ Tex. Tax Code §§23.011, 23.012 and 23.013

²⁶⁴ Robert J. Gloude-mans, Richard R. Almy, *Fundamentals of Mass Appraisal*, p. 2-3 (2011) (IAAO publication); and Joseph K. Eckert, Ph.D., Robert J. Gloude-mans, Richard R. Almy, *Property Appraisal and Assessment Administration*, p. 82 (1990) (IAAO publication)

Market Data or Sales Comparison Approach

The sales comparison approach is the valuation method typically preferred in appraising single-family homes and vacant land in mass appraisal when adequate sales data are available.²⁶⁵ Tax Code Section 23.013 states:

- (a) If the chief appraiser uses the market data comparison method of appraisal to determine the market value of real property, the chief appraiser shall use comparable sales data and shall adjust the comparable sales to the subject property.
- (b) A sale is not considered to be a comparable sale unless the sale occurred within 24 months of the date as of which the market value of the subject property is to be determined, except that a sale that did not occur during that period may be considered to be a comparable sale if enough comparable properties were not sold during that period to constitute a representative sample.
- (b-1) Notwithstanding Subsection (b), for a residential property in a county with a population of more than 150,000, a sale is not considered to be a comparable sale unless the sale occurred within 36 months of the date as of which the market value of the subject property is to be determined, regardless of the number of comparable properties sold during that period.
- (c) A sale of a comparable property must be appropriately adjusted for any change in the market value of the comparable property during the period between the date of the sale of the comparable property and the date as of which the market value of the subject property is to be determined.
- (d) Whether a property is comparable to the subject property shall be determined based on similarities with regard to location, square footage of the lot and improvements, property age, property condition, property access, amenities, views, income, operating expenses, occupancy, and the existence of easements, deed restrictions, or other legal burdens affecting marketability.²⁶⁶

²⁶⁵ Robert J. Gloudemans, Richard R. Almy, *Fundamentals of Mass Appraisal*, p. 170 (2011) (IAAO publication)

²⁶⁶ Tex. Tax Code §23.013

Income Approach

The income approach is most suitable for properties frequently purchased and held for the purpose of producing income, such as apartments, retail properties, and office buildings.²⁶⁷ Tax Code Section 23.012 provides:

- (a) If the income method of appraisal is the most appropriate method to use to determine the market value of real property, the chief appraiser shall:
 - (1) analyze comparable rental data available to the chief appraiser or the potential earnings capacity of the property, or both, to estimate the gross income potential of the property;
 - (2) analyze comparable operating expense data available to the chief appraiser to estimate the operating expenses of the property;
 - (3) analyze comparable data available to the chief appraiser to estimate rates of capitalization or rates of discount; and
 - (4) base projections of future rent or income potential and expenses on reasonably clear and appropriate evidence.
- (b) In developing income and expense statements and cash-flow projections, the chief appraiser shall consider:
 - (1) historical information and trends;
 - (2) current supply and demand factors affecting those trends; and
 - (3) anticipated events such as competition from other similar properties under construction.²⁶⁸

Cost Approach

The cost approach is especially useful for appraising unique properties, new construction and property types for which sales and income data are scarce.²⁶⁹ Tax Code Section 23.011 requires a chief appraiser who uses the cost method to:

- (1) use cost data obtained from generally accepted sources;
- (2) make appropriate adjustments for physical, functional or economic obsolescence;

²⁶⁷ Robert J. Gloudemans, Richard R. Almy, *Fundamentals of Mass Appraisal*, p. 176 (2011) (IAAO publication)

²⁶⁸ Tex. Tax Code §23.012

²⁶⁹ Robert J. Gloudemans, Richard R. Almy, *Fundamentals of Mass Appraisal*, p. 193 (2011) (IAAO publication); and Joseph K. Eckert, Ph.D., Robert J. Gloudemans, Richard R. Almy, *Property Appraisal and Assessment Administration*, p. 206 (1990) (IAAO publication)

- (3) make cost data developed by the chief appraiser (as applied to all properties within a property category) available to the public upon request for a reasonable fee;
- (4) clearly state the reason for any variation of more than 10 percent between generally accepted cost data and locally produced cost data; and
- (5) make all applicable market data that demonstrates the difference between the replacement cost of the improvements to the property and the depreciated value of the improvements available to the property owner on request.²⁷⁰

The cost approach is not used to determine the market value of land.

Reconciliation

After an appraiser has considered and applied the traditional approaches to value, he or she makes a final determination on the subject property's value. An appraiser who has considered the cost, income and market data (sales comparison) approaches to value could potentially develop three different value conclusions. The appraiser must then decide on the final value.

The final decision, or reconciliation, should consider several factors including the quantity and quality of the approaches and which approach is most relevant in the marketplace. If the subject property is a shopping center, it is likely that the income approach is best for that property type. The appraiser may give the most weight to the income approach in this instance. The appraiser should also consider the quality of the data. Less weight may be given to an approach that has less quality data available for its development.

Finally, the quantity of data should be considered. If the appraiser uses the market data (sales comparison) approach to value a single-family residence but only has one comparable sale, then less weight may be given to the sales comparison approach in the reconciliation. The reconciliation may appear to be subjective, but it should be based upon logic.

Equal and Uniform

Property owners may protest both the value as well as unequal appraisal of their properties. In the typical unequal appraisal case, the property owner claims that the property's appraised value is higher or greater than "the median appraised value of a reasonable number of comparable properties appropriately

adjusted."²⁷¹ The Texas Legislature set standards to govern unequal appraisal cases similar to the standards for market value cases. Tax Code Section 23.01(f) reads as follows:

The selection of comparable properties and the application of appropriate adjustments for the determination of an appraised value of property by any person [in an unequal appraisal case] must be based on the application of generally accepted appraisal methods and techniques. Adjustments must be based on recognized methods and techniques that are necessary to produce a credible opinion.²⁷²

An unequal appraisal protest must be determined in favor of the property owner unless the appraisal district establishes that the property's appraisal ratio is equal to or less than the median level of appraisal of a:

- reasonable and representative sample of other properties;
- sample of properties consisting of a reasonable number of comparable other properties; or,
- reasonable number of comparable properties appropriately adjusted.²⁷³

Evaluating Testimony

The arbitrator's evaluation of expert witness testimony – by reference to generally accepted appraisal methods and techniques – should focus on the evidence presented on three key issues:

- Is the **number** of properties selected for the sample **reasonable**?
- Are each of the properties in the sample **comparable** to the subject property?
- Was the **value** of each comparable property **appropriately adjusted** by reference to the subject property?

Below are the types of questions the arbitrator may ask about the expert's evidence to get answers on these key issues.

First, is the **number** of properties selected for the sample **reasonable**? To determine reasonableness, evidence which answers the following questions may be helpful:

- How did the appraiser pick the number of comparable properties?
- What selection method or system was used and why?

²⁷¹ Tex. Tax Code §41.43(b)

²⁷² Tex. Tax Code §23.01(f)

²⁷³ Tex. Tax Code §41.43(b)(3)

²⁷⁰ Tex. Tax Code §23.011

- Was the selection random?
- What was the appraiser’s reasoning in arriving at that sample number?
- Is there a statistical basis for the number of sample properties selected given the size of the population in the county of properties just like the subject property?

In one case, *Sagemont Plaza v. Harris County Appraisal District*, 30 S.W.3d 425, 427 (Tex. App. — Corpus Christi, 2000, pet. denied), the court of appeals noted that the property owner’s expert had “applied no statistical formula in his calculation of the appropriate number of sample population size for the median level appraisal determination.” In other words, the expert failed to establish the reasonableness of his sample size, one of the critical elements in establishing the median in an unequal appraisal case. As a result, the trier-of-fact could choose to disbelieve this expert’s testimony.

The second key issue is whether each of the properties in the sample selected really are **comparable** to the subject property. In assessing comparability, evidence which answers these questions may be helpful:

- Which characteristics of the subject property did the appraiser select to focus on and why?
- Are all the properties similar in size, location and physical characteristics?
- Are they all in the same or similar neighborhoods or market areas?

The third key issue is whether the **value** of each comparable property has been **appropriately adjusted** by reference to the subject property. In assessing the appropriateness of an adjustment, these questions may be helpful:

- What method or technique was used?
- How did the appraiser select the percentage or dollar adjustment applied?
- Is there any evidence to support the adjustment selected?

An example of how comparability and appropriateness of adjustments can be effectively evaluated is set out in the appellate court opinion in *Weingarten Realty Investors v. Harris County Appraisal District*, 93 S.W.3d 280 (Tex. App. – Houston [14th Dist.] 2002, no pet.).

In *Weingarten*, the Houston court of appeals found that the comparable properties the appraiser used to perform his equal and uniform valuation analysis for a large retail shopping center in Houston were questionably comparable and questionably appropriately adjusted for several reasons.

- The comparable properties were significantly smaller retail centers than the subject property.
- Nine of the 10 comparable properties had per-square-foot appraised values significantly lower than the subject property.
- Only 10 comparable properties were used in the calculation even though there were 191 retail centers in the northwest quadrant of Harris County where the subject was located.
- Only portions of the retail centers were used in the analysis.
- Only physical characteristics of condition, age, size and location were used in adjusting the comparable property values.
- The percentage adjustment for each characteristic of the comparable properties was subjective.

The court of appeals agreed that this testimony properly was rejected as unreliable because the expert “lacked a reliable foundation for his opinions.”²⁷⁴

²⁷⁴ *Weingarten*, 93 S.W.3d at 286

Where to Find it in the Law

This section includes high-level summaries of relevant portions of the Texas Constitution, Civil Practice and Remedies Code and the Tax Code. It is not necessary to extensively know each provision, but generally knowing what is contained in each may help keep time-consuming research to a minimum.

Texas Constitution Provisions

All property tax laws and rules must comply with the Texas Constitution. Article VIII specifically deals with property tax. The chart in **Exhibit 13** includes some basic property tax rules set out in the Texas Constitution:

EXHIBIT 13
Basic Property Tax Rules

TAXATION MUST BE EQUAL AND UNIFORM.
<ul style="list-style-type: none"> • All property must be taxed equally and uniformly.²⁷⁵ • No single property or property type should be taxed more than its fair market value.²⁷⁶
GENERALLY, ALL PROPERTY IS TAXED IN PROPORTION TO ITS VALUE.
<ul style="list-style-type: none"> • Unless constitutionally exempt, property must be taxed in proportion to its value.²⁷⁷ • The Texas Constitution provides certain exceptions to market valuation, such as taxation based on productive capacity for agricultural and timberland.²⁷⁸ • All exemptions from taxation must be constitutionally authorized.²⁷⁹
TAXPAYERS MUST BE GIVEN NOTICE OF AN ESTIMATE OF TAXES THEY OWE.
<ul style="list-style-type: none"> • Notice must be given of the reasonable estimate of the taxes that will be imposed on a taxpayer's property.²⁸⁰ • Notice must be given of intent to consider tax increases.²⁸¹

²⁷⁵ Tex. Const. art. VIII, §1(a)
²⁷⁶ Tex. Const. art. VIII, §20
²⁷⁷ Tex. Const. art. VIII, §1(b)
²⁷⁸ Tex. Const. art. VIII, §1-d-1
²⁷⁹ Tex. Const. art. VIII, §1(b)
²⁸⁰ Tex. Const. art. VIII, §21(c)
²⁸¹ Tex. Const. art. VIII, §21(a)

Civil Practice and Remedies Code Chapter 171 Provisions

Tax Code Chapter 41A and Comptroller Rules, Subchapter K, both refer to Civil Practice and Remedies Code Chapter 171 sections set out in **Exhibit 14**. Below is a summary of excerpts of these sections; however, arbitrators should be familiar with the full law and not rely on these summaries.

EXHIBIT 14
Civil Practice and Remedies Code Chapter 171

SECTION	TOPIC
171.044	Hearing and notice requirements
171.045	Hearing adjournment or postponement
171.046	Failure of a party to appear
171.047	Rights of the parties at the hearing
171.049	Oath administered by the arbitrator
171.050	Depositions
171.051	Subpoenas
171.088	Vacating an award

Hearing and Notice Requirements

Unless otherwise provided by the agreement to arbitrate, the arbitrator must set a time and place for the hearing and notify each party.²⁸² The notice must be served not later than the 5th day before the hearing either personally or by registered or certified mail with return receipt requested.²⁸³ Appearance at the hearing waives the notice.²⁸⁴

Hearing Adjournment or Postponement

Unless otherwise provided by the agreement to arbitrate, the arbitrator may:

- (1) adjourn the hearing as necessary;²⁸⁵ and
- (2) on request of a party and for good cause, or on their own motion, postpone the hearing to a time not later than:
 - (A) the date set by the agreement for making the award;²⁸⁶ or
 - (B) a later date agreed to by the parties.²⁸⁷

²⁸² Tex. Civ. Prac. & Rem. Code §171.044(a)
²⁸³ Tex. Civ. Prac. & Rem. Code §171.044(b)
²⁸⁴ Tex. Civ. Prac. & Rem. Code §171.044(b)
²⁸⁵ Tex. Civ. Prac. & Rem. Code §171.045(1)
²⁸⁶ Tex. Civ. Prac. & Rem. Code §171.045(2)(A)
²⁸⁷ Tex. Civ. Prac. & Rem. Code §171.045(2)(B)

Failure to Appear

Unless otherwise provided by the agreement to arbitrate, the arbitrator may hear and determine the controversy on the evidence produced without regard to whether a party who has been properly notified fails to appear.²⁸⁸

Rights of the Parties at the Hearing

Unless otherwise provided by the agreement to arbitrate, a party at the hearing is entitled to:

- (1) be heard;²⁸⁹
- (2) present evidence material to the controversy;²⁹⁰ and
- (3) cross-examine any witness.²⁹¹

Oath Administered by the Arbitrator

The arbitrator may administer to each witness testifying before them the oath required of a witness in a civil action pending in a district court.²⁹²

Depositions

The arbitrator may authorize a deposition:

- (1) for use as evidence to be taken of a witness who cannot be required by subpoena to appear before the arbitrator or who is unable to attend the hearing;²⁹³ or
- (2) for discovery or evidentiary purposes to be taken of an adverse witness.²⁹⁴

A deposition under this section must be taken in the manner provided by law for a deposition in a civil action pending in a district court.²⁹⁵

Subpoenas

The arbitrator may issue a subpoena for:

- (1) attendance of a witness;²⁹⁶ or
- (2) production of books, records, documents or other evidence.²⁹⁷

A witness required to appear by subpoena under this section may appear at the hearing before the arbitrator or at a

deposition.²⁹⁸ A subpoena issued under this section must be served in the manner provided by law for the service of a subpoena issued in a civil action pending in a district court.²⁹⁹ Each provision of law requiring a witness to appear, produce evidence and testify under a subpoena issued in a civil action pending in a district court applies to this subpoena.³⁰⁰

Vacating an Award

This section only applies to RBA and not to LBA. On application of a party, the court vacates an award if:

- (1) the award was obtained by corruption, fraud or other undue means;³⁰¹
- (2) the rights of a party were prejudiced by:
 - (A) evident partiality by an arbitrator appointed as a neutral arbitrator;³⁰²
 - (B) corruption in an arbitrator;³⁰³ or
 - (C) misconduct or willful misbehavior of an arbitrator;³⁰⁴
- (3) the arbitrator:
 - (A) exceeded their powers;³⁰⁵
 - (B) refused to postpone the hearing after a showing of sufficient cause for the postponement;³⁰⁶
 - (C) refused to hear evidence material to the controversy;³⁰⁷ or
 - (D) conducted the hearing, contrary to Section 171.043, 171.044, 171.045, 171.046 or 171.047, in a manner that substantially prejudiced the rights of a party;³⁰⁸ or
- (4) there was no agreement to arbitrate, the issue was not adversely determined in a proceeding under Subchapter B and the party did not participate in the arbitration hearing without raising the objection.³⁰⁹

²⁸⁸ Tex. Civ. Prac. & Rem. Code §171.046

²⁸⁹ Tex. Civ. Prac. & Rem. Code §171.047(1)

²⁹⁰ Tex. Civ. Prac. & Rem. Code §171.047(2)

²⁹¹ Tex. Civ. Prac. & Rem. Code §171.047(3)

²⁹² Tex. Civ. Prac. & Rem. Code §171.049

²⁹³ Tex. Civ. Prac. & Rem. Code §171.050(a)(1)

²⁹⁴ Tex. Civ. Prac. & Rem. Code §171.050(a)(2)

²⁹⁵ Tex. Civ. Prac. & Rem. Code §171.050(b)

²⁹⁶ Tex. Civ. Prac. & Rem. Code §171.051(a)(1)

²⁹⁷ Tex. Civ. Prac. & Rem. Code §171.051(a)(2)

²⁹⁸ Tex. Civ. Prac. & Rem. Code §171.051(b)

²⁹⁹ Tex. Civ. Prac. & Rem. Code §171.051(c)

³⁰⁰ Tex. Civ. Prac. & Rem. Code §171.051(d)

³⁰¹ Tex. Civ. Prac. & Rem. Code §171.088(a)(1)

³⁰² Tex. Civ. Prac. & Rem. Code §171.088(a)(2)(A)

³⁰³ Tex. Civ. Prac. & Rem. Code §171.088(a)(2)(B)

³⁰⁴ Tex. Civ. Prac. & Rem. Code §171.088(a)(2)(C)

³⁰⁵ Tex. Civ. Prac. & Rem. Code §171.088(a)(3)(A)

³⁰⁶ Tex. Civ. Prac. & Rem. Code §171.088(a)(3)(B)

³⁰⁷ Tex. Civ. Prac. & Rem. Code §171.088(a)(3)(C)

³⁰⁸ Tex. Civ. Prac. & Rem. Code §171.088(a)(3)(D)

³⁰⁹ Tex. Civ. Prac. & Rem. Code §171.088(a)(4)

A party must apply not later than the 90th day after the date of delivery of a copy of the award to the applicant. A party must apply under Civil Practice and Remedies Code Section 171.088(a)(1) not later than the 90th day after the date the grounds for the application are known or should have been known.³¹⁰

If the application to vacate is denied and a motion to modify or correct the award is not pending, the court confirms the award.³¹¹

Tax Code Provisions

The following are high-level summaries of relevant provisions of the Tax Code chapters listed in **Exhibit 15**. Arbitrators should refer to the Tax Code for the full legal text. Arbitrators should have the most current edition of the Texas Property Tax Code available when working on arbitration. While only Tax Code Section 41.41(a)(1) or (2) may be subject to arbitration, various statutory issues may arise in the course of an arbitration; therefore, it is essential to have knowledge of the Tax Code generally.

EXHIBIT 15
Relevant Tax Code Chapters

CHAPTER	TOPIC
Chapter 21	Situs
Chapter 22	Renditions and Other Reports
Chapter 23	Appraisal Methods and Procedures
Chapter 41	Local Review (ARB Process)
Chapter 42	Judicial Review

Tax Code Chapter 21 – Taxable Situs

Tax Code Chapter 21 tells us how to determine taxable situs of various property types. The following are high-level summaries of situs topics that may arise.

- Real property is taxable by a taxing unit if located in the taxing unit on Jan. 1.³¹²
- Taxable situs is determined differently for various types of tangible personal property.³¹³
- Intangible personal property is taxable in certain instances.³¹⁴

³¹⁰ Tex. Civ. Prac. & Rem. Code §171.088(b)

³¹¹ Tex. Civ. Prac. & Rem. Code §171.088(c)

³¹² Tex. Tax Code §21.01

³¹³ Tex. Tax Code §21.02

³¹⁴ Tex. Tax Code §§21.06, 21.07 and 21.08

- Comptroller Rule 9.4033 sets out the interstate allocation of taxable property’s value.³¹⁵
- Vessels and other watercraft used are taxable in Texas, and those used continually outside of Texas are taxed on an allocation based upon miles operated within Texas.³¹⁶
- Commercial and business aircraft operated in Texas are taxed based on number of revenue departures.³¹⁷
- A taxpayer must file an allocation application with the chief appraiser before May 1.³¹⁸
- A late application may be filed until the ARB approves the appraisal records, but a penalty will be assessed.³¹⁹

Tax Code Chapter 22 – Renditions and Other Reports

Tax Code Section 22.01 states when renditions are filed and what information the rendition statement should include. The following are high-level summaries of rendition topics that may arise.

- The chief appraiser or his or her representative may enter the premises of a business for inspection to determine existence and market value of tangible personal property used for income production.³²⁰
- Rendition statements, property reports and any attachments to those statements are confidential.³²¹
- The chief appraiser must impose a penalty for failure to timely file a rendition statement or report.³²² The penalty is 10 percent of the taxes imposed for that year.³²³
- The chief appraiser must impose an additional penalty of 50 percent of the taxes imposed for that year if a court determines fraudulent documents were filed or that documents were tampered with or destroyed to hide fraudulent behavior.³²⁴
- The chief appraiser may waive the penalty for failure to timely file if it is determined that the person exercised reasonable diligence to comply with rendition requirements.³²⁵
- The chief appraiser may request a written report from the governing body of a political subdivision on:

³¹⁵ Tex. Tax Code §21.03

³¹⁶ Tex. Tax Code §§21.021, 21.03 and 21.031

³¹⁷ Tex. Tax Code §§21.05 and 21.055

³¹⁸ Tex. Tax Code §21.09(a) and (b)

³¹⁹ Tex. Tax Code §21.10(a) and (b)

³²⁰ Tex. Tax Code §22.07

³²¹ Tex. Tax Code §22.27

³²² Tex. Tax Code §22.28

³²³ Tex. Tax Code §22.28

³²⁴ Tex. Tax Code §22.29

³²⁵ Tex. Tax Code §22.30

- a zoning action;³²⁶
- an action that directly restricts the use of real property or exempts real property;³²⁷ or
- an action that grants the owner or custodian of the real property specified by the action the right or authority to make a change or improvement to the property.³²⁸

Tax Code Chapter 23 – Appraisal Methods and Procedures

Tax Code Chapter 23 includes information pertaining to appraisal methods and procedures and is broken down into eight subchapters, as shown in **Exhibit 16**. The following are high-level summaries of appraisal topics that may arise.

EXHIBIT 16
Tax Code Chapter 23 Subchapters

SUBCHAPTER	TITLE
A	Appraisals Generally
B	Special Appraisal Provisions
C	Land Designated for Agricultural Use
D	Appraisal of Agricultural Land
E	Appraisal of Timber Land
F	Appraisal of Recreational, Park, and Scenic Land
G	Appraisal of Public Access Airport Property
H	Appraisal of Restricted-Use Timber Land

Subchapter A - Appraisals Generally

Tax Code Chapter 23, Subchapter A, gives general appraisal requirements, including:

- Property must be appraised at market value as of Jan. 1.³²⁹
- Appraisers must comply with the USPAP for mass appraisal.³³⁰
- The chief appraiser cannot exclude for consideration property sold at foreclosure when determining a residence homestead's market value.³³¹
- A residence homestead's market value is always based on its value as a residence and not at its highest and best use.³³²

- Chief appraisers cannot increase the appraised value of a property determined by a protest in the previous year unless the increase is reasonably supported by clear and convincing evidence.³³³
- Appraisers must use accepted appraisal methods and techniques when selecting comparable properties and adjustments must be based on recognized methods and techniques that are necessary to produce a credible opinion for unequal protests and appeals.³³⁴
- Appraisers must follow certain requirements for the cost, income and market approaches.³³⁵
- Personal property is excluded from a real property appraisal.³³⁶

Subchapter B - Special Appraisal Provisions

Tax Code Chapter 23, Subchapter B, includes requirements for appraising inventory, including special types of inventory, and for prepayment of special inventory taxes. The following are high-level summaries of special inventory appraisal and payment topics that may arise.

- Appraisers must follow certain requirements for appraising mineral interests not being produced and follow certain methods for appraising oil and gas interests.³³⁷
- A property owner can waive the right to certain special appraisals.³³⁸
- The appraisal district cannot increase a property's appraised value more than 10 percent of the appraised value in the preceding year on a residence homestead.³³⁹
- New improvement to a residence homestead is any improvement made to the property after the most recent appraisal that increased the property's market value and was not included in the previous year's appraisal.³⁴⁰

³²⁶ Tex. Tax Code §22.41

³²⁷ Tex. Tax Code §22.41

³²⁸ Tex. Tax Code §22.41

³²⁹ Tex. Tax Code §23.01

³³⁰ Tex. Tax Code §23.01

³³¹ Tex. Tax Code §23.01

³³² Tex. Tax Code §23.01

³³³ Tex. Tax Code §23.01(e)

³³⁴ Tex. Tax Code §23.01(f)

³³⁵ Tex. Tax Code §§23.011, 23.012 and 23.013

³³⁶ Tex. Tax Code §23.014

³³⁷ Tex. Tax Code §§23.17 and 23.175

³³⁸ Tex. Tax Code §23.20

³³⁹ Tex. Tax Code §23.23

³⁴⁰ Tex. Tax Code §23.23

Subchapter C - Land Designated for Agricultural Use

The Texas Constitution, Article VIII, Section 1-d, is restrictive to land owned by families or individuals and provides that certain types of land be appraised at its value based on the land's capacity to produce ag products instead of market value. To qualify for this special appraisal, the owner's primary occupation or source of income must be related to an agricultural business venture for profit. Tax Code Chapter 23, Subchapter C, implements this constitutional provision by providing information about designating land for ag use and rollback taxes applicable when the land is sold or changes use. Ag land appraised under Subchapter C is often referred to as 1-d appraisal, productivity valuation or productivity appraisal, special appraisal and ag appraisal.

- Tax Code Section 23.41 requires land designated for ag use to be valued based on its capacity to produce ag products.³⁴¹ This section also requires the Comptroller's office to promulgate rules specifying the methods for appraising ag use land. Comptroller Rule 9.4001 adopts the *Manual for the Appraisal of Agricultural Land* for this purpose.³⁴²
- Tax Code Section 23.42 sets out the eligibility requirements for land to be allowed the designation of ag use.³⁴³
- Tax Code Sections 23.43, 23.431, 23.44 and 23.45 describe the application requirements, late application with penalty, actions on applications by chief appraiser and requires the application information be kept confidential because it includes income information.³⁴⁴
- Tax Code Section 23.46 provides for additional taxation in certain instances, commonly referred to as rollback.³⁴⁵ If ag use land is sold or the use of the land changes to a non-ag use, rollback taxes and interest must be paid for three years prior to the time of sale or change of use.³⁴⁶
- The chief appraiser must notify a property owner age 65 or older if the chief appraiser believes that land may have been diverted to a non-ag use prior to determining a change in the land use.³⁴⁷ The chief appraiser must send additional notice if the property owner does not timely respond.³⁴⁸

³⁴¹ Tex. Tax Code §23.41

³⁴² Tex. Tax Code §23.41

³⁴³ Tex. Tax Code §23.42

³⁴⁴ Tex. Tax Code §§23.44 and 23.45

³⁴⁵ Tex. Tax Code §23.46

³⁴⁶ Tex. Tax Code §23.46

³⁴⁷ Tex. Tax Code §23.46

³⁴⁸ Tex. Tax Code §23.46

Subchapter D - Appraisal of Agricultural Land

The Texas Constitution, Article VIII, Section 1-d-1, allows land owned by corporations as well as individuals to be appraised based on its productivity value instead of market value. Tax Code Chapter 23, Subchapter D, implements this constitutional provision by providing information about designating land for open-space appraisal and rollback taxes applicable when the land changes use. Ag land appraised under Subchapter D is often referred to as 1-d-1 or open-space appraisal.

- Tax Code Section 23.51 defines qualified open-space land to mean land that is currently devoted principally to ag use to the degree of intensity generally accepted in the area or land that is used principally as an ecological laboratory by a college or university for five of the preceding seven years.³⁴⁹ This section also defines ag use, category, net to land, income capitalization, exotic animal, wildlife management, endangered species, federal permit and habitat preserve.
- Tax Code Section 23.52 requires open-space land to be appraised using the income capitalization method applied to the average net to land.³⁵⁰ The appraised value may not exceed the market value as determined using other methods.³⁵¹ It also directs the Comptroller's office to develop rules setting forth the method for appraising qualified open-space land. Comptroller Rule 9.4001 adopts the *Manual for the Appraisal of Agricultural Land* for this purpose.³⁵²
- Tax Code Section 23.521 requires the Comptroller's office and Texas Parks and Wildlife Department (TPWD) to develop standards for determining the qualification of land as being used for wildlife management purposes.³⁵³ Comptroller Rule 9.2004 requires qualification and application requirements for land to be qualified as ag based on wildlife management use in compliance with the:
 - Comptroller's *Manual for the Appraisal of Agricultural Land*;
 - Comptroller's *Guidelines for Qualification of Agricultural Land in Wildlife Management Use*; and
 - TPWD's *Comprehensive Wildlife Planning Guidelines* for each ecoregion.³⁵⁴

³⁴⁹ Tex. Tax Code §23.51

³⁵⁰ Tex. Tax Code §23.52

³⁵¹ Tex. Tax Code §23.52

³⁵² Tex. Tax Code §23.52

³⁵³ Tex. Tax Code §23.521

³⁵⁴ Tex. Admin. Code §9.2004

- Tax Code Sections 23.522, 23.523 and 23.524 provide the criteria for the continued eligibility of special appraisal for land:
 - no longer devoted principally to ag if the land is in a governor-declared disaster area;³⁵⁵
 - owned by U.S. armed services members who are deployed or stationed outside of Texas;³⁵⁶
 - subject to a pest control agreement;³⁵⁷ or
 - if a lessee begins conducting oil and gas operations.³⁵⁸
- Tax Code Sections 23.54, 23.541 and 23.57 describe the open-space land appraisal application requirements, late application with penalty and actions on applications by chief appraisers.³⁵⁹
- Tax Code Section 23.55 is the requirement that, if the use of open-space land changes, rollback taxes must be paid for three years preceding the year in which the change of use occurs.³⁶⁰
- Tax Code Section 23.551 requires the chief appraiser to deliver written notice to property owners age 65 or older if he or she believes that a change of land use may have occurred and to make a reasonable effort to locate the property owner if he or she does not timely respond.³⁶¹

Subchapter E - Appraisal of Timber Land

Tax Code Chapter 23, Subchapter E, applies to a small portion of Texas, but it is important, nonetheless.

- Tax Code Section 23.72 states that land qualifies for appraisal as timberland if it is currently and actively devoted principally to the production of timber or forest products to the degree of intensity generally accepted in the area with intent to produce income.³⁶² It also must have been principally devoted to the production of timber or forest products or to ag use that would qualify under Subchapters C or D, for five of the preceding seven years.³⁶³
- Tax Code Section 23.73 requires appraisal using the income capitalization method applied to average net to land.³⁶⁴ It also requires the Comptroller's office to develop rules to verify that land meets the required conditions.

³⁵⁵ Tex. Tax Code §23.522

³⁵⁶ Tex. Tax Code §23.523

³⁵⁷ Tex. Tax Code §§23.524 and 23.526

³⁵⁸ Tex. Tax Code §23.525

³⁵⁹ Tex. Tax Code §§23.54, 23.541 and 23.57

³⁶⁰ Tex. Tax Code §23.55

³⁶¹ Tex. Tax Code §23.551

³⁶² Tex. Tax Code §23.72

³⁶³ Tex. Tax Code §23.72

³⁶⁴ Tex. Tax Code §23.73

Comptroller Rule 9.4011 adopts the *Manual for the Appraisal of Timberland* for this purpose.³⁶⁵

- Tax Code Sections 23.75, 23.751 and 23.79 describe the application requirements, late application with penalty and actions on applications by chief appraiser.³⁶⁶
- Tax Code Section 23.76 is the change of use section for timberland. It is the same as for open-space land. If the land use changes, rollback taxes must be paid for three years preceding the year in which the change of use occurs.³⁶⁷

Subchapter F – Appraisal of Recreational, Park and Scenic Land

Tax Code Chapter 23, Subchapter F, includes requirements for appraising property that is deed restricted for use as recreational, park or scenic land.

- Tax Code Section 23.81 explains that deed restricted means a valid and enforceable provision that limits the land's use. It is in a written document filed and recorded in the county deed records.³⁶⁸ It must include the land, name each landowner and provide that the land may only be used for recreational, park or scenic uses during the term of deed restriction and the length of term, which must be at least 10 years.³⁶⁹
- Tax Code Sections 23.83, 23.84 and 23.85 describe the qualification and application process and require the Comptroller's office to promulgate rules. Comptroller Rule 9.4009 adopts *Guidelines for the Appraisal of Recreational, Park and Scenic Land* for this purpose.³⁷⁰
- Tax Code Section 23.86 provides for a three-year rollback on property that is no longer subject to the deed-restriction.³⁷¹ Tax Code Section 23.87 imposes a penalty for land appraised as recreational, park or scenic land that is used for another purpose.³⁷²

Subchapter G - Appraisal of Public Access Airport Property

Tax Code Chapter 23, Subchapter F, includes requirements for appraising another type of deed-restricted property: public access airport property.

³⁶⁵ Tex. Tax Code §23.73

³⁶⁶ Tex. Tax Code §§23.75, 23.751 and 23.79

³⁶⁷ Tex. Tax Code §23.76

³⁶⁸ Tex. Tax Code §23.81(2)

³⁶⁹ Tex. Tax Code §23.82(b)

³⁷⁰ Tex. Tax Code §§23.83(e), 23.84 and 23.85

³⁷¹ Tex. Tax Code §23.86

³⁷² Tex. Tax Code §23.87

- Tax Code Section 23.91 defines airport property as real property designed and used for airport purposes, including landing, parking, shelter or takeoff of aircraft, and the accommodation of individuals engaged in the operation, maintenance or navigation of aircraft or of aircraft passengers.³⁷³ It also defines public access airport property as privately-owned airport property regularly used by the public or that regularly provides services to the public for airport purposes.³⁷⁴
- Public access airport property is subject to the same deed restriction filing requirements as other deed-restricted property.³⁷⁵ The deed must be filed with the county clerk, include each property owner's name and the restriction use and be for a term of at least 10 years.³⁷⁶
- Tax Code Section 23.93 requires the Comptroller's office to promulgate rules for appraisal under this subchapter. Comptroller Rule 9.4010 adopts the *Guidelines for the Appraisal of Public Access Airport Property*.³⁷⁷
- Tax Code Sections 23.94 and 23.95 provide for the application process.³⁷⁸
- Tax Code Section 23.96 provides for a three-year rollback tax on public access airport property when the property is no longer subject to the deed-restricted use.³⁷⁹ Tax Code Section 23.97 assesses a penalty for using airport property appraised under this subchapter for another use.³⁸⁰

Tax Code Chapter 41 – Local Review (ARB Process)

Tax Code Chapter 41 covers the ARB process. **Exhibit 17** identifies the matters that taxing units and property owners can appeal to the ARB.

³⁷³ Tex. Tax Code §23.91(1)

³⁷⁴ Tex. Tax Code §23.91(2)

³⁷⁵ Tex. Tax Code §23.92(a)

³⁷⁶ Tex. Tax Code §23.92(b)

³⁷⁷ Tex. Tax Code §23.93(e)

³⁷⁸ Tex. Tax Code §§23.94 and 23.95

³⁷⁹ Tex. Tax Code §23.96(a)

³⁸⁰ Tex. Tax Code §23.97(a)

EXHIBIT 17

Taxing Unit Challenges and Property Owner Protests

TAXING UNIT CHALLENGES

- An exclusion of property from the appraisal records³⁸¹
- A grant in whole or in part of a partial exemption (other than a temporary disaster exemption)³⁸²
- A determination that land qualifies for ag appraisal³⁸³
- The failure to identify the taxing unit as one in which a particular property is taxable³⁸⁴

PROPERTY OWNER PROTESTS

- The property's value³⁸⁵
- Unequal appraisal³⁸⁶
- Inclusion of the property on the appraisal records³⁸⁷
- Denial of exemptions³⁸⁸
- Denial or change of ag land use³⁸⁹
- Denial or modification of a temporary disaster exemption or damage assessment rating³⁹⁰
- Errors in the appraisal record³⁹¹
- Failure to provide required notice³⁹²
- Any other adverse actions of the chief appraiser, appraisal district or ARB³⁹³

The following are high-level summaries of ARB topics that may arise.

- ARBs determine protests and challenges, correct clerical errors, act on motions to correct and determine whether exemptions or partial exemptions were incorrectly administered.³⁹⁴
- ARBs must hold a public hearing on and adopt hearing procedures and must distribute the procedures to the appraisal district board of directors, the TLO and the Comptroller's office.³⁹⁵

³⁸¹ Tex. Tax Code §41.03(a)(1)

³⁸² Tex. Tax Code §41.03(a)(2)

³⁸³ Tex. Tax Code §41.03(a)(3)

³⁸⁴ Tex. Tax Code §41.03(a)(4)

³⁸⁵ Tex. Tax Code §41.41(a)(1)

³⁸⁶ Tex. Tax Code §41.41(a)(2)

³⁸⁷ Tex. Tax Code §41.41(a)(3)

³⁸⁸ Tex. Tax Code §41.41(a)(4)

³⁸⁹ Tex. Tax Code §41.41(a)(5) and (8)

³⁹⁰ Tex. Tax Code §41.41(c)

³⁹¹ Tex. Tax Code §41.41(a)(3), (6) and (7)

³⁹² Tex. Tax Code §41.411(a)

³⁹³ Tex. Tax Code §41.41(a)(9)

³⁹⁴ Tex. Tax Code §41.01(a)

³⁹⁵ Tex. Tax Code §41.01(c) and (d)

- A taxing unit must file the challenge petition before June 1 or within 15 days after the date that the appraisal records are submitted to the ARB, whichever is later.³⁹⁶
- The ARB can correct clerical errors at any time before approval of the appraisal record if the correction will not affect any property owner's tax liability.³⁹⁷
- The ARB can approve a change recommendation from the chief appraiser at any time before approval of the appraisal records if it does not result in an increase of a property owner's tax liability.³⁹⁸
- The ARB must give written notice to the property owner of a change in the record that results in an increase of the property owner's tax liability.³⁹⁹
- The ARB must hear and rule on all protests and challenges and approve the appraisal record by July 20 unless the county has a population of at least one million, in which case the deadline may be postponed until Aug. 30.⁴⁰⁰
- The pendency of a protest does not affect the delinquency date for taxes on a property subject to a protest and the property owner must pay the amount of taxes that are not in dispute.⁴⁰¹
- Persons who acquire property after Jan. 1 and lessees also have the right to protest.⁴⁰²
- Certain appraisal districts must have a system that allows a residence homestead owner to electronically file a notice of protest, receive and review comparable sales data and other evidence the chief appraiser intends to use at the protest hearing, receive settlement offers, notices of offers not being made and acceptance or rejection of settlement offers.⁴⁰³
- Generally, a property owner must file written notice of protest with the ARB before May 15 or the 30th day after the date the notice was delivered to the property owner, whichever is later.⁴⁰⁴
- Appraisal districts must hold an informal conference if the property owner requests an informal conference and it must be held before the ARB protest hearing.⁴⁰⁵
- The ARB can schedule a single hearing for a property with more than one protest.⁴⁰⁶
- The property owner can request a telephone conference call hearing to appear by telephone conference call or videoconference, in counties with a population of 100,000 or more or in counties with the technological capability, and offer evidence or argument by affidavit.⁴⁰⁷
- The chief appraiser must appear at each hearing.⁴⁰⁸
- The ARB must offer single-member panels for protest hearings upon a property owner's request on the notice of protest or in writing at least 10 days prior to the hearing.⁴⁰⁹
- The appraisal office must provide audiovisual equipment to the property owner or agent if the chief appraiser uses such equipment at the hearing.⁴¹⁰
- The ARB must send a written notice of a protest hearing to the property owner not later than the 15th day before the hearing.⁴¹¹
- In counties with a population of 120,000 or more, the ARB must send an electronic reminder of the hearing by email or text message, upon request from the property owner, at least seven days after the notice of protest hearing was delivered and not later than the day before the protest hearing.⁴¹²
- The ARB must make its decision by written order and deliver a notice of issuance of the order with a copy of the order to the property owner and the chief appraiser by certified mail.⁴¹³
- In counties with a population of 120,000 or more, the chief appraiser must deliver a copy of the notice of issuance of the order and a copy of the ARB's order by email to the property owner or their agent upon request.⁴¹⁴
- Postponements of ARB hearings are allowed in certain instances.⁴¹⁵
- An ARB can subpoena witnesses, books, records or other documents.⁴¹⁶
- The ARB must establish by rule the procedures for hearings and list certain hearing requirements.⁴¹⁷

³⁹⁶ Tex. Tax Code §41.04

³⁹⁷ Tex. Tax Code §41.09

³⁹⁸ Tex. Tax Code §41.10

³⁹⁹ Tex. Tax Code §41.11(a)

⁴⁰⁰ Tex. Tax Code §41.12(a) and (c)

⁴⁰¹ Tex. Tax Code §41.115(a)

⁴⁰² Tex. Tax Code §§41.412 and 41.413

⁴⁰³ Tex. Tax Code §41.415

⁴⁰⁴ Tex. Tax Code §41.44

⁴⁰⁵ Tex. Tax Code §41.445

⁴⁰⁶ Tex. Tax Code §41.45(a)

⁴⁰⁷ Tex. Tax Code §41.45(b), (b-1) and (b-4)

⁴⁰⁸ Tex. Tax Code §41.45(c)

⁴⁰⁹ Tex. Tax Code §41.45(b-4)

⁴¹⁰ Tex. Tax Code §41.45(o)

⁴¹¹ Tex. Tax Code §41.46(a)

⁴¹² Tex. Tax Code §41.46(f)

⁴¹³ Tex. Tax Code §41.47(a) and (d-1)

⁴¹⁴ Tex. Tax Code § 41.47(d-1)

⁴¹⁵ Tex. Tax Code §41.45(e), (e-1) and (g)

⁴¹⁶ Tex. Tax Code §41.61(a)

⁴¹⁷ Tex. Tax Code §41.66(a)

- On joint motion of the property owner and chief appraiser, the ARB can conduct a closed hearing if proprietary or confidential information is introduced.⁴¹⁸
- All ARB testimony is given under oath; documentary evidence must be approved by the ARB if not in original form; and information for use in the hearing must be made available to the protesting party at least 14 days before the hearing.⁴¹⁹
- An ARB member may not participate in a determination if he or she has an interest in the property or is related to the taxpayer by second degree of affinity or third degree of consanguinity.⁴²⁰
- The chief appraiser must post protest and appeal procedures between May 1 and May 15.⁴²¹

Tax Code Chapter 42 – Judicial Review

Tax Code Chapter 42 covers the judicial process for appealing an ARB decision to district court. The following are high-level summaries of topics that may arise pertaining to district court appeals.

- A property owner can appeal an ARB determination to district court.⁴²²
- A lessee who is contractually obligated to reimburse a property owner for property taxes can appeal an ARB order to district court.⁴²³
- With written approval of the board of directors, a chief appraiser can appeal an ARB order unless the protest involved a determination of appraised value less than \$1 million.⁴²⁴
- A party other than the property owner must file written notice of appeal of an ARB order within 15 days after receiving an ARB order of determination.⁴²⁵
- The pendency of an appeal does not affect the delinquency date for taxes on a property that is the subject of the appeal.⁴²⁶
- The property owner must pay the amount of taxes that are not in dispute, that are due under the appealed order or that were imposed on the property in the preceding year.⁴²⁷
- The appealing party must file a petition for review with the district court within 60 days of receiving notice that a final ARB order has been entered.⁴²⁸
- A timely-filed petition can be amended under certain circumstances.⁴²⁹
- Venue is in the county in which the property is located or in which the ARB issued the order, except that venue for an appeal of an order issued by the Comptroller’s office is in Travis County.⁴³⁰
- The property owner or appraisal district can request that the parties engage in settlement discussions.⁴³¹
- The judicial review is a trial de novo and the district court must try all issues of fact and law raised in the pleadings.⁴³²
- In determining the appeal, the district court may:
 - fix the appraised value;⁴³³
 - enter orders necessary to ensure equal treatment;⁴³⁴ or
 - enter orders necessary to preserve rights.⁴³⁵
- The district court must grant relief on the ground of unequal appraisal if:
 - the appraisal ratio exceeds at least 10 percent of the median level of appraisal of a reasonable and representative sample of other properties in the appraisal district;⁴³⁶
 - the appraisal ratio exceeds at least 10 percent of the median level of appraisal of a sample of a reasonable number of properties in the appraisal district that are similar to the subject property;⁴³⁷ or
 - the property’s appraised value exceeds the median appraised value of a reasonable number of comparable properties appropriately adjusted.⁴³⁸
- A party can appeal the final judgment of a district court.⁴³⁹
- A property owner prevailing in certain appeals may be awarded attorney’s fees.⁴⁴⁰

⁴¹⁸ Tex. Tax Code §41.66(d-1)

⁴¹⁹ Tex. Tax Code §41.67(a), (b) and (d)

⁴²⁰ Tex. Tax Code §41.69

⁴²¹ Tex. Tax Code §41.70(a)

⁴²² Tex. Tax Code §42.01(a)

⁴²³ Tex. Tax Code §42.015(a)

⁴²⁴ Tex. Tax Code §42.02(a) and (b)

⁴²⁵ Tex. Tax Code §42.06(a)

⁴²⁶ Tex. Tax Code §41.03(a)(4)

⁴²⁷ Tex. Tax Code §42.08(b)

⁴²⁸ Tex. Tax Code §42.21(a)

⁴²⁹ Tex. Tax Code §42.21(c)

⁴³⁰ Tex. Tax Code §42.06(a), (b) and (c)

⁴³¹ Tex. Tax Code §42.227(a)

⁴³² Tex. Tax Code §42.23(a)

⁴³³ Tex. Tax Code §42.24(1)

⁴³⁴ Tex. Tax Code §42.24(2)

⁴³⁵ Tex. Tax Code §42.24(3)

⁴³⁶ Tex. Tax Code §42.26(a)(1)

⁴³⁷ Tex. Tax Code §42.26(a)(2)

⁴³⁸ Tex. Tax Code §42.26(a)(3)

⁴³⁹ Tex. Tax Code §42.28

⁴⁴⁰ Tex. Tax Code §42.29(a)

-
- The chief appraiser must correct the appraisal roll to reflect final determination of an appeal and certify the change to each affected taxing unit within 45 days of the date of final determination.⁴⁴¹
 - The assessor of each affected taxing unit must prepare and mail a corrected tax bill based on the final determination and include a brief explanation of the reason for and effect of the corrected bill.⁴⁴²
 - The taxing unit must refund the difference between the amount of taxes paid and the amount of taxes for which the property owner is liable if the liability is decreased based on the final determination of an appeal.⁴⁴³
 - The refund plus 9.5 percent annual interest must be made before the 60th day after the date the chief appraiser certifies the corrected appraisal roll or the taxing unit will have to pay 12 percent interest on the refund.⁴⁴⁴

⁴⁴¹ Tex. Tax Code §42.41(a)(1) and (2)

⁴⁴² Tex. Tax Code §42.42(a)

⁴⁴³ Tex. Tax Code §42.43(a)

⁴⁴⁴ Tex. Tax Code §42.43(b) and (c)

Arbitrator Registry

The Comptroller's office maintains a registry listing of qualified arbitrators and lists the initial qualification of persons to be arbitrators.⁴⁴⁵ Arbitrators must attend ARB training, complete a training program on property tax law and meet licensing requirements before conducting an arbitration hearing.⁴⁴⁶

Arbitrators are required to notify the Comptroller's office in writing of any changes in contact information (including address, phone number or email address), and any material change in the information provided in their application or in their qualifications or eligibility for appointment within 10 calendar days of the change.⁴⁴⁷ A material change includes but is not limited to a change in county of residence, loss of required licensure, incapacity, ineligibility or other condition that would prevent the person from lawfully and professionally performing arbitration duties.⁴⁴⁸

Violations of Comptroller arbitration rules or an arbitrator's failure to report a material change may result in the immediate removal of the arbitrator from the current registry upon its discovery and the denial of future applications for inclusion in the registry.⁴⁴⁹ An arbitrator's failure to report a material change as required will not affect the determinations and awards made by the arbitrator during the period that the arbitrator is listed in the registry.⁴⁵⁰

Property owners, agents, arbitrators and appraisal districts are responsible for verifying the accuracy of the information provided in the arbitrator registry and communicating any inaccuracies to the Comptroller's office as soon as practicable.⁴⁵¹ Inclusion of an arbitrator in the Comptroller's registry is not and must not be construed as:

- a representation by the Comptroller's office that all information provided is true and correct;⁴⁵² or
- as a professional endorsement of an arbitrator's qualifications to conduct arbitration proceedings.⁴⁵³

The registry is updated within 30 calendar days of the date the Comptroller's office approves and processes applications.

Eligibility

Qualifications for inclusion in the arbitrator registry are set out in Tax Code Section 41A.06(b) and Comptroller Rules 9.4257-9.4259. To be listed in the registry, arbitrators must:

- reside in the state of Texas;⁴⁵⁴
- hold one of the following professional designations:
 - licensed attorney, holding a current, active Texas law license;⁴⁵⁵ or
 - have completed at least 30 hours of alternative dispute resolution training (from a university, college or legal or real estate trade association) and hold a current active license or certification during the preceding five years as a:
 - real estate broker or sales agent under Occupations Code Chapter 1101;⁴⁵⁶
 - real estate appraiser under Occupations Code Chapter 1103;⁴⁵⁷ or
 - certified public accountant under Occupations Code Chapter 901;⁴⁵⁸
- complete the Comptroller's ARB training and receive a certificate;⁴⁵⁹
- complete the Comptroller's arbitration training program;⁴⁶⁰ and
- agree to conduct the arbitration for the allowed fee based on the property type and value.⁴⁶¹

⁴⁴⁵ Tex. Tax Code §41A.06(a)

⁴⁴⁶ Tex. Admin. Code §9.4258

⁴⁴⁷ Tex. Admin. Code §§9.4257(b)(6) and 9.4260(b)

⁴⁴⁸ Tex. Admin. Code §9.4260(b)

⁴⁴⁹ Tex. Admin. Code §9.4260(c)

⁴⁵⁰ Tex. Admin. Code §9.4260(c)

⁴⁵¹ Tex. Admin. Code §9.4257(g)

⁴⁵² Tex. Admin. Code §9.4257(g)

⁴⁵³ Tex. Admin. Code §9.4257(g)

⁴⁵⁴ Tex. Admin. Code §9.4258(b)

⁴⁵⁵ Tex. Tax Code §41A.06(b)(1)(A) and Tex. Admin. Code §9.4258(c)(1)

⁴⁵⁶ Tex. Tax Code §41A.06(b)(1)(B)(i) and (ii)(a) and Tex. Admin. Code §9.4258(c)(2)(A)

⁴⁵⁷ Tex. Tax Code §41A.06(b)(1)(B)(i) and (ii)(b) and Tex. Admin. Code §9.4258(c)(2)(B)

⁴⁵⁸ Tex. Tax Code §41A.06(b)(1)(B)(i) and (ii)(c) and Tex. Admin. Code §9.4258(c)(2)(C)

⁴⁵⁹ Tex. Tax Code §41A.06(b)(2)

⁴⁶⁰ Tex. Tax Code §41A.06(b)(3)

⁴⁶¹ Tex. Tax Code §41A.06(b)(4)

A person who has been granted a residence homestead exemption on property he or she owns and occupies in Texas is considered to principally reside in Texas.⁴⁶² If an arbitrator owns no property for which a residence homestead exemption has been granted in any state, including Texas, then the arbitrator's principal residence is Texas if the arbitrator lives in a residential property in Texas more than 50 percent of his or her time.⁴⁶³

Ineligibility

A person does not qualify for inclusion in the arbitrator registry if he or she has been granted a residence homestead exemption in another state or has been granted more than one residence homestead exemption.⁴⁶⁴ Falsely claiming principal residence in Texas will result in the immediate removal of the individual from the registry and the reporting of this misconduct to the individual's professional licensing or certification board or regulatory authority.⁴⁶⁵

A person is not eligible for inclusion in the Comptroller's arbitrator registry during any period in which the person holds a position as:

- an appraisal district board member;⁴⁶⁶
- an ARB member;⁴⁶⁷
- an appraisal district employee, contractor or officer;⁴⁶⁸
- a Comptroller employee;⁴⁶⁹ or
- a taxing unit employee, office or governing body member.⁴⁷⁰

Application for Registry

Persons interested in being listed in the Comptroller's arbitrator registry must file *Application for Arbitrator Registry - Individuals Only* (Form AP-218) (**Appendix E**), with the Comptroller's office and provide all requested information and documentation.⁴⁷¹ Any false statements provided by applicants may result in misdemeanor or felony convictions.⁴⁷² On this application, potential arbitrators attest that they:

- principally reside in Texas in the county identified;⁴⁷³

- meet the qualifications required under Comptroller Rule 9.4258;⁴⁷⁴
- have read and understand applicable Tax Code provisions and Comptroller rules;⁴⁷⁵
- will conduct arbitrations pursuant to the terms in the Comptroller arbitration rules;⁴⁷⁶
- will perform arbitration services for the applicable fee set out in Comptroller Rule 9.4260(d) and Tax Code Section 41A.015;⁴⁷⁷ and
- will notify the Comptroller's office of any changes in contact information or other material changes within 10 calendar days of the change.⁴⁷⁸

The attestation provided remains in effect until the arbitrator renewal date.⁴⁷⁹

The Comptroller's office reviews and approves or denies applications of individuals who wish to be listed in the registry.⁴⁸⁰ If the application is approved, the applicant's name, Texas county of residence, ineligible county list and other pertinent information may be added to the registry.⁴⁸¹

The Comptroller's office must deny an application if the applicant does not meet all the required qualifications or if the applicant's inclusion in the arbitrator registry would otherwise not be in the interest of impartial arbitration proceedings.⁴⁸²

The Comptroller's office must notify an applicant of the application approval or denial as soon as practicable and must provide a brief explanation of the reason(s) for the denial.⁴⁸³

The applicant may provide a written statement of why the Comptroller's office should reconsider the denial within 30 calendar days of the applicant receiving the denial notice.⁴⁸⁴ The Comptroller's office may approve the application if the applicant provides information to justify the approval.⁴⁸⁵ If the application is subsequently approved, the Comptroller's office must notify the applicant as soon as practicable.⁴⁸⁶

⁴⁶² Tex. Admin. Code §9.4258(b)

⁴⁶³ Tex. Admin. Code §9.4258(b)

⁴⁶⁴ Tex. Admin. Code §9.4258(b)

⁴⁶⁵ Tex. Admin. Code §9.4258(b)

⁴⁶⁶ Tex. Admin. Code §9.4258(e)(1)

⁴⁶⁷ Tex. Admin. Code §9.4258(e)(2)

⁴⁶⁸ Tex. Admin. Code §9.4258(e)(3)

⁴⁶⁹ Tex. Admin. Code §9.4258(e)(4)

⁴⁷⁰ Tex. Admin. Code §9.4258(e)(5)

⁴⁷¹ Tex. Admin. Code §9.4257(a)

⁴⁷² Tex. Admin. Code §9.4257(a)

⁴⁷³ Tex. Admin. Code §9.4257(b)(1)

⁴⁷⁴ Tex. Admin. Code §9.4257(b)(2)

⁴⁷⁵ Tex. Admin. Code §9.4257(b)(3)

⁴⁷⁶ Tex. Admin. Code §9.4257(b)(4)

⁴⁷⁷ Tex. Admin. Code §9.4257(b)(5) and Tex. Tax Code 41A.015(e)

⁴⁷⁸ Tex. Admin. Code §9.4257(b)(6)

⁴⁷⁹ Tex. Admin. Code §9.4257(c)

⁴⁸⁰ Tex. Tax Code §41A.06(a)

⁴⁸¹ Tex. Admin. Code §9.4257(e)

⁴⁸² Tex. Admin. Code §9.4257(d)

⁴⁸³ Tex. Admin. Code §9.4257(f)

⁴⁸⁴ Tex. Admin. Code §9.4257(f)

⁴⁸⁵ Tex. Admin. Code §9.4257(f)

⁴⁸⁶ Tex. Admin. Code §9.4257(f)

Renewal

The Comptroller's office also reviews and approves or denies renewal applications for arbitrators who wish to remain in the registry.⁴⁸⁷

Initial approval for inclusion in the Comptroller's arbitrator registry is good for two years, or until the expiration of the arbitrator's professional license, whichever is earlier.⁴⁸⁸ An arbitrator must submit a renewal application before the two-year anniversary of initial approval, or the expiration of his or her professional license, to remain active in the registry.⁴⁸⁹

To renew approval to be in the registry, an arbitrator must:

- file a renewal application;⁴⁹⁰
- continue to meet the initial professional requirements;⁴⁹¹
- have no history of failure to comply with statutory requirements or Comptroller rules;⁴⁹²
- complete eight hours of continuing education in arbitration and alternative dispute resolution procedures from a qualified provider;⁴⁹³ and
- complete the arbitrator training program on property tax law (if revised by the Comptroller's office).⁴⁹⁴

Removal

Arbitrators must perform their duties as set out in Tax Code Chapter 41A and Comptroller arbitration rules. Failure to act in accordance with Tax Code Chapter 41A or Comptroller rules will result in the removal of the arbitrator from the registry.

The Comptroller's office must remove an arbitrator from the registry if:

- the person fails or declines to renew his or her arbitrator agreement to serve as an arbitrator in the manner required by Comptroller Rule 9.4258(d),⁴⁹⁵ or
- PTAD's director determines by clear and convincing evidence there is good cause (**Exhibit 18**) for removal.⁴⁹⁶

EXHIBIT 18

Grounds for Good Cause for Removal

1. The person is not qualified or becomes not qualified under Comptroller Rule 9.4258.⁴⁹⁷
2. The person is not eligible or becomes ineligible under Comptroller Rule 9.4259 (relating to Arbitrator Eligibility for a Particular Appointment).⁴⁹⁸
3. The person fails to respond to or refuses to comply with Comptroller requests for information.⁴⁹⁹
4. The person violated one or more provisions of Comptroller Rules 9.4260, 9.4261 or 9.4263.⁵⁰⁰
5. The person engaged in repeated instances of bias or misconduct while acting as an arbitrator.⁵⁰¹
6. The person has engaged in fraudulent conduct.⁵⁰²
7. PTAD's director determines, in the exercise of his or her discretion, that the type or nature of the conduct in which the person engaged constitutes good cause for removal of the person from the arbitrator registry.⁵⁰³

Clear and convincing evidence is the measure or degree of proof that produces a firm belief or conviction of the truth of the allegations regarding the arbitrator.⁵⁰⁴

There is no appeal for removal of a person from the registry.⁵⁰⁵ An arbitrator removed from the registry may reapply for inclusion in the registry two years from the date of the removal determination.⁵⁰⁶ The circumstances giving rise to the removal may be considered in evaluating the reapplication.⁵⁰⁷

⁴⁸⁷ Tex. Tax Code §41A.061(b)(1)

⁴⁸⁸ Tex. Tax Code §41A.061(a) and Tex. Admin. Code §9.4258(d)(1)(B)

⁴⁸⁹ Tex. Tax Code §41A.061(a) and Tex. Admin. Code §9.4258(d)(1)(B)

⁴⁹⁰ Tex. Tax Code §41A.061(b)(1) and Tex. Admin. Code §9.4258(d)(2)

⁴⁹¹ Tex. Tax Code §41A.061(b)(2)

⁴⁹² Tex. Admin. Code §9.4258(d)(3)

⁴⁹³ Tex. Tax Code §41A.061(b)(3) and Tex. Admin. Code §9.4258(d)(4)

⁴⁹⁴ Tex. Tax Code §41A.061(b)(4)

⁴⁹⁵ Tex. Admin. Code §9.4262(a)(1)

⁴⁹⁶ Tex. Admin. Code §9.4262(a)(2)

⁴⁹⁷ Tex. Admin. Code §9.4262(b)(1)

⁴⁹⁸ Tex. Admin. Code §9.4262(b)(2)

⁴⁹⁹ Tex. Admin. Code §9.4262(b)(3)

⁵⁰⁰ Tex. Admin. Code §9.4262(b)(4)

⁵⁰¹ Tex. Admin. Code §9.4262(b)(5)

⁵⁰² Tex. Admin. Code §9.4262(b)(6)

⁵⁰³ Tex. Admin. Code §9.4262(b)(7)

⁵⁰⁴ Tex. Admin. Code §9.4262(c)

⁵⁰⁵ Tex. Admin. Code §9.4262(j)

⁵⁰⁶ Tex. Admin. Code §9.4262(j)

⁵⁰⁷ Tex. Admin. Code §9.4262(j)

Complaints/Requests for Removal

A person may request the removal of an arbitrator from the registry by filing a complaint with PTAD within 60 calendar days of the last incident giving rise to the request.⁵⁰⁸ The complaint must contain the following items:

- a letter addressed to PTAD’s director and signed by the requestor/complainant that identifies:
 - the arbitrator sought to be removed⁵⁰⁹ and
 - the grounds under Comptroller Rule 9.4262(b) that constitute good cause for removal,⁵¹⁰
- at least one sworn statement from an individual with first-hand knowledge of the conduct complained of that sets forth the facts in detail to support the grounds for removal;⁵¹¹ and
- copies of all available communications exchanged between the arbitrator and the parties, including emails, documents and any other materials, as well as electronic video or audio recordings, if the complaint alleges violations of Comptroller Rules 9.4262(b)(4) or (5).⁵¹²

Requests for removal or complaints must be dismissed under the following four conditions:

1. The conduct complained of does not meet Comptroller Rule 9.4262(b) requirements.⁵¹³
2. The complaint is not timely or otherwise fails to meet Comptroller Rule 9.4262(d) requirements.⁵¹⁴
3. A complaint filed under Comptroller Rule 9.4262(b)(5) fails to identify and include evidence of more than one incident of alleged bias or misconduct.⁵¹⁵
4. The complaint is based on one or more substantive arbitration issues, including evidentiary considerations and the resulting award.⁵¹⁶

PTAD notifies the requestor/complainant within 30 days of receiving a complaint whether the complaint or request is under review or dismissed.⁵¹⁷ There is no appeal for dismissal of a complaint or request to remove an arbitrator.⁵¹⁸

If a complaint comes under review, PTAD forwards all materials the requestor/complainant submitted to the subject arbitrator electronically or by the U.S. Postal Service or a private third-party service, such as FedEx or United Parcel Service (UPS), so long as proof of delivery is provided.⁵¹⁹ The arbitrator has 30 calendar days from receipt of the materials to respond to PTAD, explaining why a finding of good cause for removal should not be made.⁵²⁰

Within 30 calendar days of receiving the arbitrator’s response, PTAD’s director determines whether clear and convincing evidence supports a finding of good cause for removal of the arbitrator from the registry.⁵²¹ PTAD notifies promptly the requestor/complainant and the arbitrator of the director’s determination.⁵²²

If good cause for removal is not found after review, the request for removal is denied and there is no appeal of this denial.⁵²³

If good cause for removal is found, the arbitrator is removed from the registry for a period of two years from the date of the determination.⁵²⁴

⁵⁰⁸ Tex. Admin. Code §9.4262(d)

⁵⁰⁹ Tex. Admin. Code §9.4262(d)(1)

⁵¹⁰ Tex. Admin. Code §9.4262(d)(1)

⁵¹¹ Tex. Admin. Code §9.4262(d)(2)

⁵¹² Tex. Admin. Code §9.4262(d)(3)

⁵¹³ Tex. Admin. Code §9.4262(f)(1)

⁵¹⁴ Tex. Admin. Code §9.4262(f)(2)

⁵¹⁵ Tex. Admin. Code §9.4262(f)(3)

⁵¹⁶ Tex. Admin. Code §9.4262(f)(4)

⁵¹⁷ Tex. Admin. Code §9.4262(g)

⁵¹⁸ Tex. Admin. Code §9.4262(g)

⁵¹⁹ Tex. Admin. Code §9.4262(g)

⁵²⁰ Tex. Admin. Code §9.4262(g)

⁵²¹ Tex. Admin. Code §9.4262(h)

⁵²² Tex. Admin. Code §9.4262(h)

⁵²³ Tex. Admin. Code §9.4262(i)

⁵²⁴ Tex. Admin. Code §9.4262(i)

Arbitrator Ethics and Customer Service

An arbitrator must always behave in a professional manner and treat the parties with respect in the course of the binding arbitration proceeding.⁵²⁵ PTAD’s director has the authority to remove an arbitrator from the registry based on clear and convincing evidence of the arbitrator engaging in repeated instances of bias or misconduct while acting as an arbitrator.⁵²⁶ An arbitrator should conduct business professionally and consider public perception.

Arbitrator Ethics

Ethics can mean different things to different individuals, in different circumstances. Merriam-Webster’s Dictionary defines ethics as:

- the discipline dealing with what is good and bad and with moral duty and obligation;
- a set of moral principles;
- the principles of conduct governing an individual or group;
- a guiding philosophy; or
- a consciousness or moral importance.⁵²⁷

This third definition is commonly known as a professional code of ethics. Arbitrators must adhere to their licensing or certifying body’s code of ethics as they have an ethical responsibility to the parties involved in the arbitration process.

Ethical behavior means going above the letter of the law to maintain high standards of conduct. The best way to guard against the loss of public confidence is to follow the highest standards of honesty, integrity and ethical behavior.

Arbitrators should refer to their licensing or certifying body to review their respective codes of ethics as set out in **Exhibit 19**.

Conflicts of Interest

An arbitrator must not engage in conduct that creates a conflict of interest.⁵²⁸ A conflict of interest is generally defined as a conflict between the private interest and the official responsibilities of a person in a position of trust.

EXHIBIT 19
Codes of Ethics

ARBITRATOR	CODE OF ETHICS
Attorneys	State Bar of Texas, <i>Ethics Resources webpage</i>
Real estate brokers or sales agents	Texas Real Estate Commission, <i>Chapter 531 Canons of Professional Ethics and Conduct</i>
Real estate appraisers	<i>Uniform Standards of Professional Appraisal Practice (USPAP)</i>
Certified public accountants	Texas State Board of Public Accountancy, <i>Chapter 501 Rules of Professional Conduct</i>

An arbitrator who determines that he or she has an interest in a protest should ask to be recused from the hearing. If there could be the appearance of favoritism or a conflict of interest, even if the arbitrator does not believe he or she would actually be influenced, the arbitrator should not participate in the hearing.

For example, an arbitrator rents a property owner’s office space, and the property owner decides to arbitrate the office building’s value. The arbitrator is then assigned to that arbitration. When the arbitrator receives Form 50-705 or Form 50-891, the arbitrator notices that the property address in protest is the same as the arbitrator’s office building. The arbitrator should decline the arbitration since the arbitrator has an interest in seeing the office building’s value remain low to keep rents low. In this case, the arbitrator has an interest in the arbitration’s outcome.

Another example is if an arbitrator and a property owner are both members of a local philanthropic club. They meet monthly and work together regularly for club activities. The property owner decides to arbitrate his home’s value. When the arbitrator receives Form 50-705 or Form 50-891 the arbitrator notices the property owner’s name. While the arbitrator does not have a direct interest in the outcome of the arbitration, it might be perceived that the arbitrator could receive a benefit from determining the arbitration in the property owner’s favor. Finding for the property owner might be perceived as favoritism because of their relationship. In this case, the arbitrator should decline the hearing to avoid the appearance of a conflict of interest.

⁵²⁵ Tex. Admin. Code §9.4261(j)

⁵²⁶ Tex. Admin. Code §9.4262(a)(2) and (b)(5)

⁵²⁷ <https://www.merriam-webster.com/dictionary/ethics>

⁵²⁸ Tex. Admin. Code §9.4261(j)

Many more situations exist that might produce a conflict of interest or the appearance of one. Arbitrators should carefully consider each arbitration appointment before acceptance. Even the appearance of a conflict of interest should be avoided.

Remember, an arbitrator may not accept an arbitration appointment for a case in which the individual is related by affinity within the second degree or by consanguinity within the third degree to any of the parties in the arbitration.⁵²⁹ Additionally, an arbitrator may not accept an arbitration appointment if the arbitrator currently or during the previous five years has had a business relationship with the property owner, the agent or the appraisal district involved in that particular arbitration.⁵³⁰

Professionalism

Arbitrators are independent but are viewed as part of the property tax system. An experience at an arbitration hearing can affect a property owner's opinion of the property tax system. Arbitrators must make every effort to ensure they conduct hearings in a fair and impartial manner. Arbitrators should make every effort to make the hearing welcoming to both parties. **Exhibit 20** lays out some dos and don'ts for arbitrators.

EXHIBIT 20 Dos and Don'ts for Arbitrators

DOS

- Do** develop detailed procedures for the arbitration proceedings and distribute them with the hearing notice.
- Do** follow procedures and do what the procedures say.
- Do** listen closely to each of the parties.
- Do** ask questions to clarify unclear testimony.
- Do** allow reasonable time to hear all testimony.
- Do** remember arbitrators are being paid by the parties for this service.
- Do** hold the hearing in a professional setting.
- Do** treat all parties with respect.
- Do** swear in all parties, agents and witnesses.
- Do** follow all laws, rules and procedures in the arbitration proceedings.

DON'TS

- Don't** ignore either party.
- Don't** show favoritism to either party.
- Don't** talk about an arbitration outside of the hearing.
- Don't** provide testimony.
- Don't** harass, intimidate or disparage either party.
- Don't** develop personal relationships with either party.
- Don't** be late to the hearing. Allow enough time to get to the location and be there before either party.
- Don't** make mistakes on the award form.
- Don't** lose the award form.
- Don't** disclose personal or inapplicable information to either party. If a judge wouldn't do it, neither should an arbitrator.
- Don't** prohibit evidence from being introduced so long as it is not specifically excluded by arbitrator's procedures.

⁵²⁹ Tex. Admin. Code §9.4259(f)

⁵³⁰ Tex. Admin. Code §9.4259(g)

What Makes a Good Arbitrator?

There are many qualities that contribute to an arbitrator's success including those listed in **Exhibit 21**. They are much the same as those that contribute to a successful career; however, some qualities directly contribute to conducting successful arbitrations. So, what is considered a successful arbitration?

The best measure of a successful arbitration is one in which all parties, especially the non-prevailing party, feel the arbitrator listened, considered their evidence and treated them equally and with respect. The highest praise an arbitrator can receive is when the non-prevailing party contacts the Comptroller's office to say the arbitrator was fair and impartial.

Impartiality

The most important quality for an arbitrator to possess is impartiality. As arbitrators conduct more arbitration hearings, they may begin to encounter the same parties representing property owners or appraisal districts. It is important not to let previous experiences affect future interactions. Each case should be viewed objectively and independently.

Consistency

Many agents and appraisal districts may have more than one case before the same arbitrator. Much like impartiality, arbitrators should:

- be consistent in administering arbitration proceedings;
- treat both parties equally;
- apply the same procedures and rules to everyone throughout the process; and
- be consistent from case to case.

Good Listener

Each party to an arbitration is there to present their case. Whether it is in person or by teleconference, the parties expect to be heard. Arbitrators should practice active listening skills during each hearing. Arbitrators should respect the parties, time and effort by communicating to them that he or she will listen to their evidence and arguments. Arbitrators can let the parties know they hear what the parties are trying to communicate by:

- making eye contact at in-person hearings;
- verifying that parties are on the line during long pauses in telephone hearings;
- taking notes; and
- asking questions, if needed.

Flexibility

In addition to their own schedules, arbitrators should consider all parties' schedules. Scheduling arbitrations may require back and forth communications before settling on a date and time, particularly for arbitrations involving urban appraisal districts and agents. Arbitrators should be flexible and offer multiple dates to the parties when scheduling the hearing. Rescheduling a hearing may be necessary for many reasons, including illness, national or family emergencies, problems with the hearing location or technical difficulties with telephone hearings. The arbitrator's procedures should address postponements, rescheduling of hearings and no-shows.

Familiarity with Statutes, Rules and Procedures

While this may seem like more of a statutory requirement, it is good customer service for arbitrators to have a working knowledge of the Tax Code, Comptroller rules and the arbitration procedures. In some circumstances, the parties may be antagonistic or seek to use technicalities to get the upper hand. An arbitrator who can quickly pick up the Tax Code, Comptroller's rules or his or her own procedures and resolve the issue is able to keep the hearing moving along.

Exhibit 21

What makes a good arbitrator?



IMPARTIALITY



CONSISTENCY



GOOD LISTENER



FLEXIBILITY



FAMILIARITY WITH CODE, RULES, PROCEDURES

Appendix A – Definitions

The following phrases, words and terms shall have the following meanings, unless the context clearly indicates otherwise.

Agent – An individual, authorized pursuant to Tax Code Section 41A.08(b), and in accordance with Comptroller Rule 9.4253, to represent a party in binding arbitration.⁵³¹

Appraisal district – A political subdivision established in each county responsible for appraising property in the county for ad valorem tax purposes for each taxing unit that imposes such taxes on property in the county.⁵³²

Appraisal review board (ARB) – The board established in a county’s appraisal district pursuant to Tax Code Section 6.41 that issues the order that is the subject of the property owner’s request for RBA.⁵³³

Appraised value – The value of property determined under the appraisal methods and procedures of Tax Code Chapter 23.⁵³⁴

Regular Binding Arbitration (RBA) – A method to appeal an eligible ARB order a property owner may choose that is governed by Tax Code Chapter 41A and Comptroller rules. The terms regular binding arbitration and regular arbitration proceeding are synonymous and include the term regular binding arbitration hearing, the specific event at which evidence is presented to an arbitrator.⁵³⁵

Authorized individual – A human being with the legal authority to act on behalf of the property owner and includes employees of a property owner or one who holds a valid power of attorney. References to the property owner include the authorized individual. An individual appointed as an agent for binding arbitration pursuant to Comptroller Rule 9.4253 is not included in this definition.⁵³⁶

Comptroller or Comptroller’s office – The Texas Comptroller of Public Accounts, the state agency responsible for the administration of the binding arbitration system, including the adoption of rules governing the operation of the system pursuant to Tax Code Chapter 41A.⁵³⁷

Individual – A single human being.⁵³⁸

Limited Binding Arbitration (LBA) – A method to compel the appraisal district or ARB to comply with specific procedural or statutory requirements a property owner may choose that is governed by Tax Code Section 41A.015, parts of Tax Code Chapter 41A and Comptroller rules. The terms limited binding arbitration and limited arbitration proceeding are synonymous and include the term limited binding arbitration hearing, the specific event at which evidence is presented to an arbitrator.

Market value – The price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and
- both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.⁵³⁹

Order – A written ARB determination issued pursuant to Tax Code Section 41.47 regarding a property owner’s protest filed pursuant to Tax Code Section 41.41(a)(1), for appraised or market value, or pursuant to Tax Code Section 41.41(a)(2), for unequal appraisal, regarding a residence homestead or other property of \$5 million or less.⁵⁴⁰

Owner or property owner – A person having legal title to property who has the right to appeal an eligible ARB order through binding arbitration under Tax Code Chapter 41A. It

⁵³¹ Tex. Admin. Code §9.4251(1)

⁵³² Tex. Admin. Code §9.4251(2)

⁵³³ Tex. Admin. Code §9.4251(3)

⁵³⁴ Tex. Admin. Code §9.4251(4)

⁵³⁵ Tex. Admin. Code §9.4251(5)

⁵³⁶ Tex. Admin. Code §9.4251(6)

⁵³⁷ Tex. Admin. Code §9.4251(7)

⁵³⁸ Tex. Admin. Code §9.4251(8)

⁵³⁹ Tex. Tax Code §1.04(7) and Tex. Admin. Code §9.4251(9)

⁵⁴⁰ Tex. Admin. Code §9.4251(11)

does not include lessees who have the right to protest property valuations before county ARBs.⁵⁴¹

Parties – The property owner, authorized individual or agent are deemed the filing party or filer, and the appraisal district and ARB are deemed the responding party, and references to the parties are to both the filing party and the responding party as a unit.⁵⁴²

Person – Includes an individual, corporation, organization, business trust, estate, trust, partnership, association and any other legal entity.⁵⁴³

⁵⁴¹ Tex. Admin. Code §9.4251(12)

⁵⁴² Tex. Admin. Code §9.4251(13)

⁵⁴³ Tex. Admin. Code §9.4251(14)

Appendix B – Form 50-791, Appointment of Agent[s] for Regular Binding Arbitration

Appointment of Agent(s) for Binding Arbitration

Form 50-791

GENERAL INFORMATION: This form is for a property owner to designate and authorize an agent and optional alternate agent for binding arbitration proceedings.
FILING INSTRUCTIONS: This form must be filed with Comptroller Form AP-219 at the appraisal district office in the county in which the property is located. **Do not file this document with the Texas Comptroller of Public Accounts.**

SECTION 1: Property Owner Information

Property Owner Name _____

Phone Number (area code and number) _____ Email Address** _____

SECTION 2: Individual Authorized to Complete this Form (if property owner is not an individual)

Authority: Power of Attorney Business Owner/Employee Officer/Partner Board Chair/Director Other: _____

Name of Authorized Individual _____ Phone Number (area code and number) _____ Email Address** _____

Mailing Address, City, State, Zip Code _____

SECTION 3: Property Subject to Arbitration

Physical Address (street address), City, State, Zip Code _____

Appraisal District Account Number _____ Appraisal District Account Number (if contiguous) _____ Appraisal District Account Number (if contiguous) _____

For additional contiguous tracts of land, attach additional sheets as needed.

SECTION 4: Owner's Designated Binding Arbitration Agent

Attorney Real Estate Broker or Agent Real Estate Appraiser Property Tax Consultant Certified Public Accountant

Name of Agent _____ License, Certification or Registration Number _____

Phone Number (area code and number) _____ Email Address** _____

SECTION 5: Owner's Designated Alternate Binding Arbitration Agent (optional)

Attorney Real Estate Broker or Agent Real Estate Appraiser Property Tax Consultant Certified Public Accountant

Name of Agent _____ License, Certification or Registration Number _____

Phone Number (area code and number) _____ Email Address** _____

SECTION 6: Certification and Signature

Only the property owner identified in section 1 or the authorized individual identified in section 2 is permitted to complete and sign this section.

I, _____, hereby designate the individual(s) identified in sections 4 and 5, as applicable, as the
Printed Name of Property Owner or Authorized Individual

property owner's agent in binding arbitration for the property identified in section 1 to:

- 1) Sign and file the *Request for Binding Arbitration*, Form AP-219, to start the binding arbitration;
- 2) Receive and send communications regarding the arbitration;
- 3) Negotiate with the appraisal district to try to settle the case before the arbitration hearing and execute a resulting settlement agreement;
- 4) Withdraw a request for binding arbitration; and
- 5) Appear and represent the property owner at the binding arbitration hearing.

sign here ▶

Property Owner or Authorized Individual Signature _____ Date _____

** An email address of a member of the public could be confidential under Government Code Section 552.137; however, by including the email address on this form, you are affirmatively consenting to its release under the Public Information Act.

Form developed by: Texas Comptroller of Public Accounts, Property Tax Assistance Division
For additional copies, visit: comptroller.texas.gov/taxes/property-tax
50-791 • 06-19/9

Appendix C – Form 50-836, Appointment of Agent[s] for Limited Binding Arbitration

Appointment of Agent(s) for Limited Binding Arbitration

Form 50-836

GENERAL INFORMATION: This form is for a property owner to designate and authorize an agent and optional alternate agent for limited binding arbitration proceedings.
FILING INSTRUCTIONS: This form must be filed with Comptroller Form AP-241.

SECTION 1: Property Owner Information

Property Owner Name _____

Phone Number (area code and number) _____ Email Address** _____

SECTION 2: Individual Authorized to Complete this Form

Authority: Power of Attorney /Legal Guardian

Authority (if property owner is not an individual): Business Owner/Employee Officer/Partner Board Chair/Director

Name of Authorized Individual _____ Phone Number (area code and number) _____ Email Address** _____

Mailing Address, City, State, Zip Code _____

SECTION 3: Property Subject to Limited Binding Arbitration

Physical Address (street address), City, State, Zip Code _____

Appraisal District Account Number _____ Appraisal District Account Number (for multiple) _____ Appraisal District Account Number (for multiple) _____

For additional properties, attach additional sheets as needed.

SECTION 4: Owner's Designated Limited Binding Arbitration Agent

Attorney Real Estate Broker or Agent Real Estate Appraiser Property Tax Consultant Certified Public Accountant

Name of Agent _____ License, Certification or Registration Number _____

Phone Number (area code and number) _____ Email Address** _____

SECTION 5: Owner's Designated Alternate Limited Binding Arbitration Agent (optional)

Attorney Real Estate Broker or Agent Real Estate Appraiser Property Tax Consultant Certified Public Accountant

Name of Agent _____ License, Certification or Registration Number _____

Phone Number (area code and number) _____ Email Address** _____

SECTION 6: Certification and Signature

Only the property owner identified in Section 1 or the authorized individual identified in Section 2 is permitted to complete and sign this section.

I, _____, hereby designate the individual(s) identified in Sections 4 and 5, as applicable, as the
Printed Name of Property Owner or Authorized Individual

property owner's agent in limited binding arbitration for the property identified in Section 1 to:

- 1) sign and file the *Request for Limited Binding Arbitration*, Form AP-241, to start the limited binding arbitration;
- 2) receive and send communications regarding the limited binding arbitration;
- 3) withdraw a request for limited binding arbitration; and
- 4) appear and represent the property owner at the limited binding arbitration hearing.

sign here _____

Property Owner or Authorized Individual Signature
Date

** An email address of a member of the public could be confidential under Government Code Section 552.137; however, by including the email address on this form, you are affirmatively consenting to its release under the Public Information Act.

Form developed by: Texas Comptroller of Public Accounts, Property Tax Assistance Division For additional copies, visit: comptroller.texas.gov/taxes/property-tax
50-836 • 06-22

Appendix D – Form 50-830, Notice of Arbitration Withdrawal

Notice of Arbitration Withdrawal

Form 50-830

Arbitration Identification Number
(11 digit arbitration number, example 10114000001)

Date (mm/dd/yyyy)

Property Account Number *(if known)*

GENERAL INFORMATION: A property owner or the property owner's authorized agent may use this form to withdraw a request for arbitration as allowed by Comptroller Rule 9.4255(c).

FILING INSTRUCTIONS: The property owner or the property owner's authorized agent must complete this form then send the form to the Comptroller's office, appraisal district and arbitrator (if one has accepted the case).

The mailing address for the Comptroller's office is Texas Comptroller of Public Accounts, Property Tax Assistance Division, P.O. Box 13528, Austin, Texas 78711-3528 and the email address is ptad.arbitration@cpa.texas.gov. A directory with contact information for appraisal district offices can be found on the Comptroller's website.

FILING DEADLINES: If this notice is filed in writing with the Comptroller's office before an arbitrator has accepted the case, the Comptroller will refund the deposit less the Comptroller's \$50 administrative fee to the property owner or agent. If this notice is filed after an arbitrator has accepted the case, the Comptroller's office will pay the Comptroller's \$50 administrative fee, the arbitrator's fee and refund the remainder, if any, to the property owner or agent.

Please complete the following withdrawal request.

I, _____, property owner or property owner's authorized agent identified
Printed Name of Property Owner or Property Owner's Authorized Agent

for the arbitration listed above do hereby submit a withdrawal of my request to have an arbitration hearing.

I further state one of the following:

An arbitrator has not yet accepted the case *(if known)*

OR

An arbitrator accepted the case. Arbitrator name: _____

I understand that failure to comply with the provisions of Comptroller Rule 9.4255(c) could result in a claim by the arbitrator for a fee. I also understand that if an arbitrator has accepted the case, even if I have not yet been contacted by the arbitrator, the withdrawal will be considered untimely withdrawn.

sign here

Signature of Property Owner or Property Owner's Authorized Agent

Phone (area code and number)

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Penal Code Section 37.10.

Form developed by: Texas Comptroller of Public Accounts, Property Tax Assistance Division
For additional copies, visit: comptroller.texas.gov/taxes/property-tax
50-830 • Rev. 08-22/8

Appendix E – Form AP-218, Application for Arbitrator Registry - Individuals Only

Application for Arbitrator Registry Individuals Only

Form AP-218

GENERAL INFORMATION: This form is for use by persons seeking to be included in the Comptroller's Arbitrator Registry pursuant to Tax Code Section 41A.06 and Comptroller Rules relating to arbitration.

FILING INSTRUCTIONS: Submit this application and all supporting documentation to ptad.arbitration@cpa.texas.gov or Texas Comptroller – Arbitrator Registry Application, Property Tax Assistance Division, P.O. Box 13528, Austin, Texas 78711-3528.

SECTION 1: Applicant Information

Name _____ County of Residence _____

Comptroller-issued Texas Identification Number* _____ Federal Employee Identification Number (FEIN) _____ OR Social Security Number (SSN) _____
(if you currently have or have ever had one) (for individual, sole partnerships only)

Physical Residence Address (city, state and ZIP code) _____

Primary Phone Number (area code and number) _____ Email Address _____

Mailing Address (city, state and ZIP Code, if different from physical residence address) _____

SECTION 2: Professional Information

Company Name or Affiliation _____

List each county in which you have (at any time during the preceding two years) engaged in the following activities in that same county's appraisal district (attach additional sheets as necessary):

- Represented any person or entity for compensation in any proceeding under the Property Tax Code – begins with the filing of a notice of protest and includes:
 - communications with appraisal district employees regarding a matter under protest;
 - protest settlement negotiations;
 - any appearance at an appraisal review board hearing;
 - any involvement in a binding arbitration; or
 - any involvement at either the district court or appellate court level in an appeal pursued under Tax Code Chapter 42.
- Served as an officer or employee of any firm, company or other legal entity that represented a person or entity for compensation in any of the above-referenced proceedings
- Served as an appraisal district officer or employee

Select If Held	License or Certification Type	License or Certification Number	Active for the Previous Five Years?	Select If Primary
<input type="checkbox"/>	Attorney licensed by the State of Texas			
<input type="checkbox"/>	Real estate broker or salesperson licensed under Occupations Code Chapter 1101			
<input type="checkbox"/>	Real estate appraiser licensed or certified under Occupations Code Chapter 1103			
<input type="checkbox"/>	Certified public accountant licensed or certified under Occupations Code Chapter 901			

Form developed by: Texas Comptroller of Public Accounts, Property Tax Assistance Division

For additional copies, visit: comptroller.texas.gov/taxes/property-tax
AP-218• 6-22/15

Application for Arbitrator Registry - Individuals Only

Form AP-218

Have you completed at least 30 hours of training in arbitration and alternative dispute resolution procedures from a university, college, legal or real estate trade association? If yes, attach certificates. (Attorneys licensed by the State of Texas are exempt from this requirement.)

Yes
 Name of university, college, legal or real estate trade association _____ Date Completed _____

No

Limited Binding Arbitration Fee Chart
(Attorneys Only)

Residence Homestead	Appraised/Market Value per Notice of Appraised Value	Arbitrator Fee
Residence homestead	\$500,000 or less	\$400
Residence homestead	More than \$500,000	\$500
All Other Property	Any Value	\$500

For multiple properties, the arbitrator fee amount will be based on the value for the single highest property.

Regular Binding Arbitration Fee Chart

Property Type	Appraised or Market Value	Arbitrator Fee
Residence homestead	\$500,000 or less	\$400
Residence homestead	More than \$500,000	\$450
Not residence homestead	\$1 million or less	\$450
Not residence homestead	More than \$1 million but not more than \$2 million	\$750
Not residence homestead	More than \$2 million but not more than \$3 million	\$1,000
Not residence homestead	More than \$3 million but not more than \$5 million	\$1,500

For contiguous tracts of land, the arbitrator fee amount will be based on the value for the single tract of land that would have resulted in the highest deposit if the tracts were filed separately.

Are you or do you intend to become a member of a board of directors of any appraisal district or an appraisal review board in this state; an employee, contractor or officer of any appraisal district in this state; a current employee of the Comptroller's office; or a member of a governing body, officer or employee of any taxing unit in this state?

Yes No

Do you agree to perform each arbitration service for no more than the statutorily allowed fee per arbitration? The fee is the statutory maximum; all other expenses and costs must be borne by the arbitrator and the parties to the arbitration.

Yes No

Do you agree to notify the Comptroller's office of any change in your qualifications or other information provided in this application within 10 calendar days?

Yes No

Do you agree to perform Limited Binding Arbitration (LBA) service for no more than the statutorily allowed fee per arbitration? The fee is the statutory maximum; all other expenses and costs must be borne by the arbitrator and the parties to the arbitration. **(Attorneys only)**

Yes No

SECTION 3: Employment Information

List previous employment, starting with your most recent position. Do not list any experience from more than the ten years prior to this application submission.

Position Title _____ Employer Name _____

Employer Location _____

Are you currently employed by this employer? Yes No Length of employment: _____

Describe your duties:

Application for Arbitrator Registry - Individuals Only

Form AP-218

SECTION 3: Employment Information (continued)

Position Title _____ Employer Name _____

Employer Location _____

Are you currently employed by this employer? Yes No Length of employment: _____

Describe your duties:

Position Title _____ Employer Name _____

Employer Location _____

Are you currently employed by this employer? Yes No Length of employment: _____

Describe your duties:

SECTION 4: Certification and Signature

If you make a false statement on this form, you could be found guilty of a Class A misdemeanor or a state jail felony under Penal Code Section 37.10. The Comptroller's office may remove you from the Arbitrator Registry at any time for failure to meet statutory qualifications or to comply with requirements of law or administrative rule or for good cause as determined by the Comptroller's office.

I, _____, Printed Name of Applicant, swear or affirm the following:

1. The applicant meets all qualifications required under Tax Code Section 41A.06.
2. The arbitrator must conduct each arbitration for which he or she is appointed in the manner required under applicable law, including without limitation, Tax Code Sections 41A.08, 41A.015 as applicable and 41A.09, Comptroller Rules relating to arbitration, and all other relevant laws and procedures.
3. The applicant does not violate registry disqualifications regarding certain employment, public service, and other matters. Violation of the rule will result in the immediate removal of the arbitrator from the registry.
4. The arbitrator agrees to perform the arbitration service for no more than the statutorily allowed fee for each arbitration.
5. The fee is the statutory maximum; all other expenses and costs must be borne by the arbitrator and the parties to the arbitration.
6. The Comptroller's office shall appoint arbitrators as provided in Tax Code Section 41A.07, 41A.015 as applicable and Comptroller Rules relating to arbitration.
7. **Inclusion in the Arbitrator Registry does not guarantee appointment for any minimum number of arbitrations.**
8. To remain on the registry, a successful arbitrator must update any changes to his or her information within 10 calendar days.

sign here ▶

Signature of Applicant _____ Date _____

This attestation shall remain in effect until the renewal date of the applicant's license or certification under which the applicant was qualified to be included in the registry pursuant to Tax Code Section 41A.06.

For an arbitrator to continue to be included in the registry, a new or renewal application must be submitted on or before the earlier of each renewal date of the applicant's license or certification under which the applicant was qualified or the second anniversary of the date the arbitrator was initially added to or subsequently renewed on the registry pursuant to Tax Code 41A.061. The Comptroller's office will send a renewal application and instructions to the arbitrator prior to his or her renewal date.

For additional copies, visit: comptroller.texas.gov/taxes/property-tax

Page 3

Appendix F – Form AP-219, Request for Binding Arbitration



Request for Binding Arbitration

GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

Do not complete and send this form without first carefully reading these instructions, Tax Code Chapter 41A and Comptroller Rules 9.4251 through 9.4266.

Purpose of form: This form may be used to file a request for binding arbitration with an appraisal district concerning a dispute of an appraisal review board (ARB) order of determination. As an alternative to filing an appeal to district court, a property owner is entitled to appeal through binding arbitration an ARB order that only determines a protest concerning the appraised or market value of property if:

- (1) the property qualifies as the owner's residence homestead under Tax Code Section 11.13, or the appraised or market value of the property as determined by the appraisal review board order of determination is \$5 million or less; and
- (2) the protest was filed under Tax Code Section 41.41(a)(1) (appraised or market value) or Tax Code Section 41.41(a)(2) (unequal appraisal).

When and what to file: A property owner or agent must file the following with the appraisal district not later than the 60th day after the date the property owner receives notice of the final ARB order.

- (1) a completed request for binding arbitration using this form;
- (2) a deposit in the required amount (Chart I) by **cashier's check or money order** payable to the Texas Comptroller of Public Accounts (a deposit is required for each request for arbitration);
- (3) a copy of the ARB order determining protest for the property for which binding arbitration is requested;
- (4) Form 50-791 if an agent is filing on behalf of a property owner.

Chart 1 Required Deposit	Residence Homestead	Appraised/Market Value per ARB Order	Deposit Amount
	Residence Homestead	\$500,000 or less	\$450
	Residence Homestead	More than \$500,000	\$500
	Not Residence Homestead	\$1 million or less	\$500
	Not Residence Homestead	More than \$1 million but not more than \$2 million	\$800
	Not Residence Homestead	More than \$2 million but not more than \$3 million	\$1,050
	Not Residence Homestead	More than \$3 million but not more than \$5 million	\$1,550

Where to file: This form and the required deposit must be filed with the county appraisal district that appraised the property for which arbitration is requested. **Do not file the request with the Comptroller of Public Accounts.**

For assistance: Contact the Texas Comptroller's office at 800-252-9121 (press 2), 512-305-9999 or ptad.cpa@cpa.texas.gov. Additional information can be found at comptroller.texas.gov/taxes/property-tax/arbitration/index.php.

Other important information: Expenses incurred by the property owner in preparing for and attending the arbitration are the owner's responsibility. The arbitration deposit may only be used to pay for the cost of the arbitrator and the Comptroller's \$50 administrative fee. The deposit minus the Comptroller's fee will be refunded to the property owner if the arbitrator determines that the value is nearer to the property owner's opinion of value stated in the request for binding arbitration than the value as determined by the ARB.

A property owner who fails to strictly comply with legal requirements waives the property owner's right to request binding arbitration. A property owner who appeals to district court an ARB order determining a protest concerning appraised or market value waives the owner's right to request binding arbitration. An arbitrator shall dismiss any pending arbitration proceeding if the property owner's rights are waived. The deposit may not be refunded if the arbitration is dismissed under this circumstance.

The taxes on the property that are the subject of the arbitration must not be delinquent. Taxes are not delinquent if all amounts due for prior years have been paid and the undisputed tax amount for the year at issue was paid before the statutory delinquency date. If taxes are delinquent, the arbitration will be dismissed with prejudice. A property owner, however, will receive a refund of all but the administrative costs, if the arbitration is dismissed under this circumstance.

Laws: The request for binding arbitration process is established by Tax Code Chapter 41A. Requests for arbitration to appeal ARB orders are governed by Comptroller Rules 9.4251 through 9.4266 [34 Texas Administrative Code Sections 9.4251-9.4266].

You have certain rights under Government Code Chapters 552 and 559 to review, request and correct information we have on file about you. Contact us at the phone number listed on this form.

AP-219-1 (Rev.5-19/18)



AP-219-2
(Rev. 5-19/18)

Specific Instructions

This form is designed for use by property owners or agents, appraisal districts and the Comptroller's office. Only complete the part of the form that applies to you.

Arbitrating Contiguous Tracts of Land: You may arbitrate more than one tract of land for a single deposit, provided they are contiguous to one another. Please indicate if you choose to arbitrate contiguous tracts of land in box 16a and follow the directions before filling out the rest of the form. The deposit for arbitration of contiguous tracts of land is based on the value for the single highest valued tract of land.

Properties Valued at More Than \$5 Million: To arbitrate a property valued at more than \$5 million by the ARB, the property must qualify as the property owner's residence homestead under Tax Code Section 11.13.

For Property Owners or Agents

Complete the items 1 through 25 as applicable, and sign it. You must type or print in black ink so that the information can be scanned. Information for each applicable item must be provided so that your request can be processed in a timely fashion. A copy of the ARB order determining protest for the property for which binding arbitration is requested must be attached. Agents must submit a written authorization signed by the property owner on Comptroller Form 50-791. An agent's fiduciary form used for representation at the appraisal district or ARB **will not be accepted**.

Any refund to an owner or agent is subject to the provisions of Government Code Section 403.055 and related statutory provisions and rules. The federal Social Security Number, Comptroller-issued Texas Identification Number (TIN) or federal Individual Taxpayer Identification Number (ITIN) for an individual payee and either a Federal Employer Identification Number (FEIN) or TIN for a business payee authorized to receive deposit refunds is required in the Request for Binding Arbitration.

For Contiguous Arbitration: You must fill out a separate copy of page 2 on each contiguous tract of land to be arbitrated. A copy of the ARB order determining protest for each tract of land for which binding arbitration is requested must be attached. Enter an individual value you believe is correct for each contiguous tract of land to be arbitrated. The Comptroller's office will calculate the total value of all the tracts that will be used to determine who pays the arbitrator's fee.

For Appraisal Districts

Appraisal districts complete the first line marked CAD on page 1 of the form by providing the deposit amount, appraisal district number, last two digits of the tax year and the appraisal district number assigned to this arbitration request.

Appraisal districts complete the bottom portion of the form beginning with line 26 on page 2. You must provide the value determined by the ARB for the subject property, the geographic identification number (GEO#) and record identification number (R#). It is important that the order indicates the ARB certified appraised or market value of the subject property pursuant to Tax Code Section 41.41(a)(1) or (2). Any other determination cannot be the subject of an arbitration proceeding.

Check the applicable boxes concerning the request for binding arbitration. The chief appraiser or designated appraisal district employee must sign the form. Any items not checked must be accompanied by supporting documentation, if applicable.

For Contiguous Arbitration: You must fill out a separate copy of page 2 on each tract of land to be arbitrated. Enter in the individual ARB value for each tract of land to be arbitrated. The Comptroller's office will calculate the total value of all the tracts that will be used to determine who pays the arbitrator's fee.

Property Owner or Agent Checklist

- The property owner or the property owner's agent has signed the request for arbitration.
- The request was filed with the appraisal district not later than the 60th day after the date the property owner receives notice of the final ARB order.
- A deposit in the form of a check issued in the sufficient amount and guaranteed by a banking institution (such as a cashier's or teller's check) or by a money order is attached.
- If an agent is submitting the request, a written authorization (Form 50-791) signed by the property owner is attached, expressly authorizing the agent to sign and file the request.
- The request for arbitration concerns the appraised or market value of \$5 million or less for the property for which an ARB order was issued or which qualifies as the owner's residence homestead under Tax Code Section 11.13.
- The appeal does not involve any matter in dispute other than the determination of the appraised or market value of the property pursuant to Tax Code Section 41.41(a)(1) or (2).
- All parts of the request for arbitration have been completed.
- Taxes are not delinquent on the subject property because all amounts due for prior years have been paid and the undisputed tax amount for the year at issue was paid before the statutory delinquency date.
- The property that is the subject of this request for arbitration is not the subject of litigation for the tax year in question.
- A copy of the ARB order determining protest for the property for which binding arbitration is requested is attached.
- Retain a copy of this form and the deposit for your records.**

AP-219-3
(Rev. 5-19/18)

Request for Binding Arbitration

PRINT FORM

CLEAR FORM

Page 1

Type or print in black ink. Do not write in shaded areas.

T-CODE: 9 9 1 0 0 TP DEPOSIT CODE: 0 6 8 POSTMARK DATE: CAD: . 0 0 PAYMENT AMOUNT: CAD No. Year CAD Assigned No.

A copy of the ARB order determining protest for the property for which binding arbitration is requested must be attached.

PROPERTY OWNER INFORMATION - INDIVIDUAL

1. Owner's name (Last name, first name, middle initial, suffix (i.e. Jr., III, etc.))
 Last name: _____ First name: _____ M.I.: _____ Suffix: _____
 2. Owner's Comptroller-issued Texas Identification Number OR Owner's Social Security Number* (or Individual Taxpayer Identification Number (ITIN))
 (if you now have or ever had one) _____ *Your Social Security Number is not subject to public disclosure according to Government Code Section.

PROPERTY OWNER INFORMATION - COMPANY -- Non company owners skip to line 5 --

3. Corporation or partnership or estate name

 4. Comptroller-issued Texas Identification Number OR Federal Employer Identification Number (FEIN)
 (if you now have or ever had one) _____ assigned by the Internal Revenue Service _____ - _____

CONTACT INFORMATION

5. Individual's name who is the contact for the property owner (and not an agent)
 Last name: _____ First name: _____ M.I.: _____ Suffix: _____
 6. Mailing address, city, state, ZIP code with extension
 Street number, P.O. Box, or rural route and box number

 City: _____ State/province: _____ ZIP code: _____ County (or country, if outside the U.S.): _____
 7. Daytime phone (mandatory) _____ Phone number (Mandatory) _____ - _____
 8. Email address* _____
*Your email address is confidential according to Government Code Section 552.137; however, by including the email address on this form, you are affirmatively consenting to its release under the Public Information Act.

PROPERTY AGENT INFORMATION -- If you are not using an agent, skip to line 16a --

9. Individual's name (Last name, first name, middle initial, suffix (i.e. Jr., III, etc.)) [Agent must be an individual.]
 Last name: _____ First name: _____ M.I.: _____ Suffix: _____
 10. Agent's Comptroller-issued Texas Identification Number OR Agent's Social Security Number* (or Individual Taxpayer Identification Number (ITIN))
 (if you now have or ever had one) _____ *Your Social Security Number is not subject to public disclosure according to Government Code Section.
 11. Agent's mailing address, city, state, ZIP code with extension
 Street number or rural route and box number

 City: _____ State/province: _____ ZIP code: _____ County (or country, if outside the U.S.): _____
 Phone number (Mandatory) _____ FAX number (Optional) _____ - _____
 12. Daytime phone (mandatory) and FAX number (optional) _____
 13. Email address* _____
*Your email address is confidential according to Government Code Section 552.137; however, by including the email address on this form, you are affirmatively consenting to its release under the Public Information Act.

TO BE COMPLETED BY PROPERTY AGENT

14. If the owner will be represented by an agent, please indicate the applicable agent's designation required to represent an owner in binding arbitration:
 An attorney licensed by the state of Texas State Bar No. _____
 A real estate broker or salesperson licensed under Occupations Code Chapter 1101 License No. _____
 A real estate appraiser licensed or certified under Occupations Code Chapter 1103 License No. **TX** - _____ - _____
 A property tax consultant registered under Occupations Code Chapter 1152 Registration No. **P, R, O, P, T, C,** _____
 A certified public accountant licensed or certified under Occupations Code Chapter 901 License No. _____
 15. If the owner has designated an agent, attach the written authorization to this form.
 Indicate if agent is given authority to receive a refund: Yes No Indicate if agent is the primary contact for the arbitration: Yes No

PROPERTY INFORMATION

16. I request that the Comptroller's office initially appoint an arbitrator who (check only one box)
 Resides in the county in which the property is located Resides outside the county in which the property is located.
 17. Are you requesting arbitration for contiguous tracts of land? Yes No If no, skip to line 18.

Request for Binding Arbitration

• Type or print in black ink. • Do not write in shaded areas.

OWNER OR AGENT (CONT.)	PROPERTY INFORMATION	
	18. Address or location of the property requested for arbitration as shown on order of determination and account number: _____	
	19. Please indicate the tax year as shown on the ARB order. _____	
	20. Type of property being appealed: <input type="checkbox"/> Homestead <input type="checkbox"/> Residential <input type="checkbox"/> Land <input type="checkbox"/> Commercial <input type="checkbox"/> Minerals <input type="checkbox"/> Agricultural <input type="checkbox"/> Business personal property	
	21. Primary county in which the property is located _____	
	22. Value that owner believes is accurate market or appraised value (WHOLE DOLLARS ONLY): (For contiguous properties, enter value for the individual property on line 16b. Do NOT enter per acre value.) _____ \$ _____	
	23. Please select the type of arbitration hearing you want: (Check only one box). A <input type="checkbox"/> In person only B <input type="checkbox"/> By teleconference only C <input type="checkbox"/> Either in person or by teleconference and the arbitrator may decide D <input type="checkbox"/> On written documents only, submitted by the property owner and the appraisal district (without a meeting) if the appraisal district agrees; otherwise, a teleconference	
	24. I am appealing the market or appraised value of my property for the following reasons (Check all that apply): A <input type="checkbox"/> The property could not sell for the amount of value shown on the appraisal roll. B <input type="checkbox"/> The property is unequally appraised. C <input type="checkbox"/> The property has hidden damages or flaws that were not considered in the appraised value. D <input type="checkbox"/> The methodology used by the appraisal district was inappropriate. E <input type="checkbox"/> Evidence presented to the ARB was not fully considered. F <input type="checkbox"/> The appraisal district did not correctly calculate the value limitation for residence homesteads. G <input type="checkbox"/> The productivity value of the land or the special appraisal of the property allowed by law was not calculated correctly.	
	25. <input type="checkbox"/> I hereby request arbitration. I have attached one MONEY ORDER or CASHIER'S CHECK per arbitration request payable to the Texas Comptroller of Public Accounts for the appropriate fee outlined in Chart 1 and a copy of the ARB order I am appealing.	
	This form, the ARB order and the required deposit must be filed with the appraisal district for which the ARB order was issued. I understand that sending these items directly to the Comptroller will jeopardize my right to arbitrate. By signing this form, I certify that I am the property owner or individual authorized to file this request for binding arbitration.	
Owner or agent signature _____ Type or print owner or agent name _____ Date _____ Month Day Year		
TO BE COMPLETED BY APPRAISAL DISTRICT	FOR APPRAISAL DISTRICT USE ONLY -- For contiguous properties, fill out each page for every contiguous property being appealed.	
	26. Date of postmark or hand/courier/electronic delivery of request to appraisal district _____	27. Date ARB order received by owner _____
	28. Certified tracking number for ARB order or electronic tracking _____	
	29. Appraisal District Property Identification Number _____ AND _____ GEOGRAPHIC IDENTIFICATION NUMBER (GEO#) IF APPLICABLE RECORD IDENTIFICATION NUMBER (RI#) IF APPLICABLE	
	30. Value determined by the ARB order (WHOLE DOLLARS ONLY): (For contiguous properties, enter in value for the individual property.) _____ \$ _____	
	31. Cashier's check or money order number of attached deposit: _____	
	32. <input type="checkbox"/> If an agent is submitting the request, a written authorization signed by the property owner is attached that expressly authorizes the agent to sign and file the request.	
	33. The appraisal district must check the applicable boxes below. Any items not checked must be accompanied by supporting documentation, if applicable.	
	<input type="checkbox"/> The property owner or agent has signed the request for arbitration. <input type="checkbox"/> The request was filed with the appraisal district not later than the deadline established in Tax Code Section 41A.03. <input type="checkbox"/> The property owner or agent attached a copy(ies) of the correct ARB order of determination for the property(ies) for which binding arbitration is requested. <input type="checkbox"/> A deposit in the form of a check issued and guaranteed by a banking institution (such as a cashier's or teller's check) or by a money order is attached. <input type="checkbox"/> The property qualifies as the owner's residence homestead according to Tax Code Section 11.13. <input type="checkbox"/> The appraised or market value of the property as determined by the ARB order of determination is \$5 million or less, or qualifies as the property owner's residence homestead. <input type="checkbox"/> The appeal does not involve any matter in dispute other than the determination of the appraised or market value of the property pursuant to Tax Code Section 41.41(a)(1) or (2). <input type="checkbox"/> Taxes are not delinquent on the subject property because all amounts due for prior years have been paid and the undisputed tax amount for the year at issue was paid before the statutory delinquency date. <input type="checkbox"/> The property that is the subject of this request for arbitration is not the subject of litigation for the tax year in question. <input type="checkbox"/> The properties that are subject to this request qualify for contiguous arbitration.	
	34. Fill out ARBITRATION NUMBER at the top of page 1.	
35. The appraisal district <input type="checkbox"/> DOES or <input type="checkbox"/> DOES NOT consent to arbitrate by submission of written documents.		
I certify that the request for binding arbitration and deposit, along with a copy of the order determining protest if provided, have been submitted to the Comptroller of Public Accounts on the date indicated below:		
Chief appraiser or CAD employee signature _____ Type or print chief appraiser or CAD employee name _____ Date _____ Month Day Year		
For assistance, contact the Texas Comptroller's office at 800-252-9121 or 512-305-9999 or by email at ptad.cpa@cpa.texas.gov.		

Appendix G – Form AP-241, Request for Limited Binding Arbitration



RESET FORM
PRINT FORM

Request for Limited Binding Arbitration

GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

Do not complete and submit this form without carefully reading these instructions, Tax Code Section 41A.015 and Comptroller Rules relating to limited binding arbitration.

Purpose of form: This form may be used to file a request for limited binding arbitration to compel an appraisal review board (ARB) or chief appraiser, as appropriate, to:

- (1) rescind procedural rules adopted by the ARB that are not in compliance with the model hearing procedures prepared by the Comptroller under Tax Code Section 5.103;
- (2) schedule a hearing on a protest as required by Tax Code Section 41.45;
- (3) deliver information to the property owner as required by Tax Code Section 41.461;
- (4) allow the property owner to offer evidence, examine or cross-examine witnesses or other parties, and present arguments as required by Tax Code Section 41.66(b);
- (5) set a hearing for a time and date certain and postpone a hearing that does not begin within two hours of the scheduled time as required by Tax Code Section 41.66(i);
- (6) schedule hearings on protests concerning multiple properties identified in the same notice of protest on the same day at the request of the property owner or the property owner's designated agent as required by Tax Code Section 41.66(j); or
- (7) refrain from using or offering as evidence information requested by the property owner under Tax Code Section 41.461 that was not delivered to the property owner at least 14 days before the hearing as required by Tax Code Section 41.67(d).

When to file: A property owner or agent must file this request form with the Comptroller's office not earlier than the 11th day or later than the 30th day after the date the property owner delivers written notice to the local ARB chair, chief appraiser, and taxpayer liaison officer of the alleged procedural requirement with which the ARB or chief appraiser failed to comply. The written notice must be delivered to the chairman of the ARB, the chief appraiser and the taxpayer liaison officer for the appraisal district by certified mail, return receipt requested, on or before the fifth business day after the date the ARB or chief appraiser was required to comply with the requirement.

What to file:

- (1) A completed limited binding arbitration request using this form;
- (2) A check or money order payable to the Texas Comptroller of Public Accounts for the deposit in the required amount shown below (each limited binding arbitration request must include a deposit);
- (3) Form 50-791 if an agent is filing on behalf of a property owner; and
- (4) A copy of the Notice of Appraised Value for the property subject to the limited binding arbitration request.

	Residence Homestead	Appraised/Market Value per Notice of Appraised Value	Deposit Amount
Required Deposit	Residence Homestead	\$500,000 or less	\$450
	Residence Homestead	More than \$500,000	\$550
	All Other Property	Any value	\$550

Where to file: File this form and the required deposit with the Comptroller's office at:

Comptroller of Public Accounts
Attn: Limited Binding Arbitration
 111 E 17th Street
 4th Floor
 Austin, TX 78701

For assistance: Contact the Comptroller's office at 800-252-9121 (press 2), 512-305-9999 or ptad.arbitration@cpa.texas.gov. Additional information can be found at comptroller.texas.gov/taxes/property-tax/.

Other important information: Expenses incurred by the property owner in preparing for and attending the limited binding arbitration are the owner's responsibility. The limited binding arbitration deposit may only be used to pay the arbitrator's fee and the Comptroller's \$50 administrative fee. The deposit minus the Comptroller's fee will be refunded to the property owner if the arbitrator determines that an ARB or chief appraiser failed to comply with a procedural requirement as listed in Tax Code Section 41A.015(a)(1)-(7).

A property owner who fails to strictly comply with legal requirements waives the right to request limited binding arbitration. An arbitrator must dismiss any pending limited binding arbitration proceeding if the property owner's rights are waived. The deposit cannot be refunded for a limited binding arbitration dismissed under this circumstance. The property taxes on the subject property must not be delinquent. Taxes are not delinquent if all amounts due for prior tax years have been paid and the undisputed tax amount for the tax year at issue was paid before the statutory delinquency date or if the tax collection was deferred under Tax Code Section 33.06 or 33.065. If taxes are delinquent, the limited binding arbitration will be dismissed with prejudice and the property owner's deposit will be refunded less the Comptroller's \$50 administrative fee.

Laws: Tax Code Chapter 41A; Comptroller Rules related to limited binding arbitration.

You have certain rights under Government Code Chapters 552 and 559 to review, request and correct information we have on file about you. Contact us at the email address or phone number listed on this form.

AP-241-1 (Rev. 9-22/3)

 AP-241-2
 (Rev. 9-22/3)

Specific Instructions for Property Owners or Agents

Enter the deposit amount on page 1, complete items 1 through 24, as applicable, and sign this request form. You must type or print in black ink so that the information can be scanned. Information for each applicable item must be provided for us to process your request timely. A copy of the appraisal district's Notice of Appraised Value for each property for which you request limited binding arbitration must be attached. Agents must submit a written authorization signed by the property owner on Comptroller Form 50-836. An agent's fiduciary form used for representation at the appraisal district or ARB will not be accepted.

Any refund to a property owner or agent is subject to the provisions of Government Code Section 403.055 and related statutory provisions and rules. The federal Social Security Number, Comptroller-issued Texas Identification Number (TIN) or federal Individual Taxpayer Identification Number (ITIN) for an individual payee and either a Federal Employer Identification Number (FEIN) or TIN for a business payee authorized to receive deposit refunds must be included in the Request for Limited Binding Arbitration.

Arbitrating Multiple Properties, Multiple Protest Hearings or Multiple Procedural Requirement Violations: You may arbitrate more than one property, more than one protest hearing or more than one procedural requirement violation for a single deposit if notice was provided to the ARB, chief appraiser, and taxpayer liaison officer as required by Tax Code Section 41A.015(b).

If requesting to arbitrate multiple properties or protest hearings, select yes for question 16 and attach a separate page 2 of Form AP-241 for each property or protest hearing for which you request limited binding arbitration. Multiple properties may only be filed together if they have the same owner. Indicate which procedural requirements the ARB or chief appraiser failed to comply with for each property or protest.

Attach a copy of the appraisal district's Notice of Appraised Value for each property for which you request limited binding arbitration and a check or money order payable to the Comptroller of Public Accounts for the required deposit amount. The value for the single highest valued property determines the deposit amount.

Property Owner or Agent Checklist

- A notice of protest was filed under Tax Code Chapter 41.
- Written notice was delivered to the chairman of the ARB, the chief appraiser and the taxpayer liaison officer for the appraisal district by certified mail, return receipt requested, of the procedural requirement with which the property owner alleges the ARB or chief appraiser failed to comply on or before the fifth business day after the date the ARB or chief appraiser was required to comply with the requirement.
- The property owner or the property owner's agent signed the request for limited binding arbitration.
- The request was filed with the Comptroller's office not earlier than the 11th day or later than the 30th day after the date the property owner delivered written notice to the local ARB chair, chief appraiser, and taxpayer liaison officer, of the alleged procedural requirement with which the ARB or chief appraiser failed to comply.
- A check or money order for the required deposit amount is attached.
- If an agent is submitting the request, a written authorization (Form 50-836) signed by the property owner is attached, expressly authorizing the agent to sign and file the request.
- The request does not involve any matter in dispute other than the procedural requirement for which the ARB or chief appraiser failed to comply.
- All parts of the request for limited binding arbitration are complete.
- Taxes are not delinquent on the subject property if all amounts due for prior tax years have been paid and the undisputed tax amount for the tax year at issue was paid before the statutory delinquency date or if tax collection was deferred under Tax Code Section 33.06 or 33.065.
- No litigation has been filed regarding the same issues for the same properties in the same tax year that are the subject of this request.
- A copy of the appraisal district's Notice of Appraised Value for each property for which limited binding arbitration is requested is attached.
- Retain a copy of this form and the deposit for your records.

AP-241-3
(Rev. 9-22/3)

Request for Limited Binding Arbitration

Type or print in black ink. Do not write in shaded areas.

Page 1

9 9 1 0 0 TP 0 6 9 POSTMARK DATE . 0 0
 T-CODE DEPOSIT CODE PAYMENT AMOUNT

Attach a copy of the Notice of Appraised Value for each property for which you request limited binding arbitration.

PROPERTY OWNER INFORMATION - INDIVIDUAL

1. Owner's name (Last name, first name, middle initial, suffix (i.e., Jr., III, etc.))

Last name _____ First name _____ M.I. _____ Suffix _____

2. Owner's Comptroller-issued Texas Identification Number OR Owner's Social Security Number* (or Individual Taxpayer Identification Number (ITIN))
(if you now have or ever had one) _____

*Your Social Security Number is not subject to public disclosure according to Government Code Section 552.147.

PROPERTY OWNER INFORMATION - COMPANY -- Non company owners skip to line 5 --

3. Corporation, partnership or estate name _____

4. Comptroller-issued Texas Identification Number OR Federal Employer Identification Number (FEIN)
(if you now have or ever had one) _____ assigned by the Internal Revenue Service _____

5. Individual's name who is the contact for the property owner (and not an agent)

Last name _____ First name _____ M.I. _____ Suffix _____

6. Mailing address, city, state, ZIP code with extension
Street number or rural route and box number _____

City _____ State/province _____ ZIP code _____ County (or country, if outside the U.S.) _____

7. Daytime phone (mandatory) _____ Phone number (Mandatory) _____

8. Email address* _____
*Your email address is confidential according to Government Code Section 552.137; however, by including the email address on this form, you are affirmatively consenting to its release under the Public Information Act.

PROPERTY AGENT INFORMATION -- If you are not using an agent, skip to line 16 --

9. Individual's name (Last name, first name, middle initial, suffix (i.e., Jr., III, etc.)) [Agent must be an individual.]

Last name _____ First name _____ M.I. _____ Suffix _____

10. Agent's Comptroller-issued Texas Identification Number OR Agent's Social Security Number* (or Individual Taxpayer Identification Number (ITIN))
(if you now have or ever had one) _____

*Your Social Security Number is not subject to public disclosure according to Government Code Section 552.147.

11. Agent's mailing address, city, state, ZIP code with extension
Street number or rural route and box number _____

City _____ State/province _____ ZIP code _____ County (or country, if outside the U.S.) _____

12. Daytime phone (mandatory) and fax number (optional) _____ Phone number (Mandatory) _____ FAX number (Optional) _____

13. Email address* _____
*Your email address is confidential according to Government Code Section 552.137; however, by including the email address on this form, you are affirmatively consenting to its release under the Public Information Act.

14. If the owner will be represented by an agent, indicate the agent's designation required to represent an owner in binding arbitration:

An attorney licensed by the state of Texas State Bar No. _____

A real estate broker or salesperson licensed under Occupations Code Chapter 1101 License No. _____

A real estate appraiser licensed or certified under Occupations Code Chapter 1103 License No. **T X** - _____ - _____

A property tax consultant registered under Occupations Code Chapter 1152 Registration No. **P R O P T C** - _____

A certified public accountant licensed or certified under Occupations Code Chapter 901 License No. _____

15. If the owner has designated an agent, attach the written authorization (Form 50-836) to this form.
Indicate if agent is given authority to receive a refund: Yes No Indicate if agent is the primary contact for the arbitration: Yes No

Request for Limited Binding Arbitration
 • Type or print in black ink. • Do not write in shaded areas.

Attach a copy of the Notice of Appraised Value for each property for which you request limited binding arbitration.

16. Are you requesting limited binding arbitration for more than one property?..... Yes No
 If yes, attach a copy of page 2 of the request form for each property. Multiple properties may only be filed together if they have the same owner. Only one deposit is required.
17. Property address or location for which you request limited binding arbitration as shown on the Notice of Appraised Value and account number:


18. Tax year as shown on the Notice of Appraised Value. _____
19. Type of property being appealed: Homestead Non-Homestead
20. County in which the property is located..... _____
21. Select the requested type of limited binding arbitration hearing: (Check only one box).
 A In person only B By teleconference only C Either in person or by teleconference and the arbitrator may decide
22. I request limited binding arbitration to compel an ARB or chief appraiser, as appropriate, to:
 A rescind procedural rules adopted by the ARB that are not in compliance with the model hearing procedures prepared by the Comptroller under Tax Code Section 5.103;
 B schedule a hearing on a protest as required by Tax Code Section 41.45;
 C deliver information to the property owner as required by Tax Code Section 41.461;
 D allow the property owner to offer evidence, examine or cross-examine witnesses or other parties, and present arguments as required by Tax Code Section 41.66(b);
 E set a hearing for a time and date certain and postpone a hearing that does not begin within two hours of the scheduled time as required by Tax Code Section 41.66(i);
 F schedule hearings on protests concerning multiple properties identified in the same notice of protest on the same day at the request of the property owner or the property owner's designated agent as required by Tax Code Section 41.66(j); or
 G refrain from using or offering as evidence information requested by the property owner under Section 41.461 that was not delivered to the property owner at least 14 days before the hearing as required by Tax Code Section 41.67(d).
23. Did the ARB or chief appraiser take action regarding the procedural requirement(s) identified in question 22? Yes No
 If yes, briefly describe action(s) taken. Up to 300 characters allowed.

24. I certify that I filed a notice of protest under Tax Code Chapter 41.
25. I certify written notice was delivered to the chairman of the ARB, the chief appraiser and the taxpayer liaison officer for the appraisal district by certified mail, return receipt requested, of the procedural requirement(s) with which the ARB or chief appraiser failed to comply on or before the fifth business day after the date the ARB or chief appraiser was required to comply with the requirement.
26. I certify this request was filed with the Comptroller's office not earlier than the 11th day or later than the 30th day after the date the written notice was delivered to the ARB chair, chief appraiser and taxpayer liaison officer, of the alleged procedural requirement(s) with which the ARB or chief appraiser failed to comply.
27. I hereby request limited binding arbitration. I have attached one MONEY ORDER or CHECK per arbitration request payable to the Texas Comptroller of Public Accounts for the required deposit amount and a copy of the notice of appraised value for the property or properties subject to this request.
28. I understand I may lose my deposit if I fail to comply with the notice requirements and deadlines certified to above.

This form, the Notice of Appraised Value and the required deposit must be filed with the Comptroller's office. By signing this form, I certify that I am the property owner or individual authorized to file this request for limited binding arbitration. I understand if I make a false statement on this form, I could be found guilty of a Class A misdemeanor or a state jail felony under Penal Code Section 37.10.

sign here	Owner or agent signature	Type or print owner or agent name	Date
	_____	_____	Month Day Year _____

Appendix H – Form 50-705, Arbitrator Acceptance/Rejection



50-705
(Rev. 6-18/7)

Arbitrator Acceptance/Rejection

a. Property owner or property owner's agent number	b. Arbitration identification number	c. Hearing type(s) requested
d. Property owner name	e. County	
f. Property owner's agent name	g. Type of property	
h. Geographic identification number (GEO#)	i. Record identification number (R#)	
j. Address of property in protest		

1. _____ 2. _____
Arbitrator's ID number Arbitrator name

3. I hereby accept the appointment as arbitrator for the above described case.

4. After careful consideration I reject the appointment as arbitrator for the above described case for one or more of the following reasons:

- 4a. Conflict of interest
- 4b. Workload does not permit me to hear this case in a timely manner
- 4c. Lack of experience or expertise with this property type
- 4d. Ineligible to act as an arbitrator
- 4e. Not willing to conduct the requested hearing type
- 4f. Other

5. **sign here** _____
Arbitrator Date

If you accept this appointment, you agree to conduct the arbitration in accordance with Texas Property Tax Code Section 41A.08 and Comptroller Rules 9.4251-9.4266. You will receive the Arbitration Determination and Award form for this arbitration from the Comptroller's office.

Do not contact the property owner or property owner's agent or appraisal district until you have received the Arbitration Determination and Award form and an accompanying letter informing you of the parties' contact information.

If for any reason, you are unable to fulfill this assignment after acceptance, you must notify the Comptroller's office immediately by returning this completed form to the Comptroller's office by email at ptad.cpa@cpa.texas.gov, by FAX at 512-463-8354 or by mail at:


Texas Comptroller - Property Tax Assistance Division
P.O. Box 13528
Austin, TX 78711-3528

You may contact the Information Services Section with any questions at 800-252-9121 (press 2).

IF THIS FORM IS NOT RETURNED WITHIN 10 CALENDAR DAYS OF THE DATE ON THE NOTIFICATION LETTER, ANOTHER ARBITRATOR WILL BE SELECTED.

You have certain rights under Government Code Chapters 552 and 559 to review, request and correct information we have on file about you. Contact us at the address or phone number listed on this form.

Appendix I – Form 50-891, Arbitrator Acceptance/Rejection for Limited Binding Arbitration



50-891
(11-21)

Arbitrator Acceptance/Rejection for Limited Binding Arbitration

a. Arbitration identification number	b. Property owner or property owner's agent number	c. Hearing type(s) requested
d. Property owner name	e. County	
f. Property owner's agent name		
j. Address of property in protest		

1. _____ Arbitrator's ID number 2. _____ Arbitrator name

3. I hereby accept the appointment as arbitrator for the above described case.

4. After careful consideration, I reject the appointment as arbitrator for the above described case for one or more of the following reasons:

4a. Conflict of interest

4b. Workload does not permit me to hear this case in a timely manner

4c. Ineligible to act as an arbitrator

4d. Not willing to conduct the requested hearing type

4e. Other

5. **sign here** _____ Arbitrator _____ Date

If you accept this appointment, you agree to conduct the type of limited binding arbitration requested by the property owner and in accordance with Tax Code Chapter 41A and Comptroller Rules. You will receive the Limited Binding Arbitration Determination form for this arbitration from the Comptroller's office.

Do not contact the property owner or property owner's agent, appraisal review board or appraisal district until you have received the Limited Binding Arbitration Determination form and an accompanying letter informing you of the parties' contact information.

If for any reason, you are unable to fulfill this assignment after acceptance, you must notify the Comptroller's office immediately by returning this completed form to the Comptroller's office by email at ptad.cpa@cpa.texas.gov, by fax at 512-463-8354 or by mail at:


Texas Comptroller - Property Tax Assistance Division
P.O. Box 13528
Austin, TX 78711-3528

You may contact the Information and Customer Service Section with any questions at 800-252-9121 (press 2).

IF THIS FORM IS NOT RETURNED WITHIN 10 CALENDAR DAYS OF THE DATE ON THE NOTIFICATION LETTER, ANOTHER ARBITRATOR WILL BE SELECTED.

You have certain rights under Government Code Chapters 552 and 559 to review, request and correct information we have on file about you. Contact us at the address or phone number listed on this form.

Appendix J – Form 50-704, Regular Arbitration Determination and Award

	Comptroller Public Accounts TEXAS Form 50-704 (Rev. 8-19-09)		<input type="button" value="PRINT FORM"/> <input type="button" value="RESET FORM"/>
Arbitration Determination and Award			
a. Property owner or taxpayer agent number	b. Arbitration identification number	c. Arbitrator's ID number	
d. Property owner name			
e. Property under protest			
f. Property value ordered by the appraisal review board	g. Property value indicated by the property owner on the request for binding arbitration	h. Tax year for which determination is made	
TO BE COMPLETED BY ARBITRATOR			
1a. <input type="checkbox"/> I hereby dismiss this arbitration proceeding with prejudice for lack of jurisdiction. The reason(s) for this dismissal are:			
<input type="checkbox"/> Taxes on the subject property are delinquent because for any prior year, all property taxes due have not been paid or because for the year at issue, the undisputed tax amount was not paid before the statutory delinquency date.			
<input type="checkbox"/> The protest was not filed under Tax Code Section 41.41(a)(1) or (2).			
<input type="checkbox"/> The value of the property on the order determining protest is over \$5 million and is not a residence homestead.			
<input type="checkbox"/> The request for arbitration was filed more than 60 days of receipt of the appraisal review board order determining protest.			
<input type="checkbox"/> An appeal on the order determining protest has been filed in district court.			
<input type="checkbox"/> The filer and the appraisal district have executed a written agreement resolving the matter.			
1b. <input type="checkbox"/> The property owner or property owner's agent withdrew the request.			
2. Arbitrator's award assigned under Tax Code Section 41A.09	2.	\$.00
3. Dollar difference between property value ordered by the appraisal review board and value determined by arbitrator (Subtract f from Line 2)	3.	\$.00
4. Dollar difference between property value provided by property owner and value determined by arbitrator (Subtract g from Line 2)	4.	\$.00
5. Amount of Arbitrator fee not to exceed	5.	\$.00
I hereby certify that these findings and fee amount are true and correct.			
6a. Arbitrator name (Print or type)		Phone (Area code and number)	
6b. <input type="checkbox"/> sign here Arbitrator		Date	
Mail the Comptroller's copy of this form to: Texas Comptroller of Public Accounts P.O. Box 13528 Austin, TX 78711-3528 Or FAX to: 512-463-8354 Or email to: ptad.cpa@cpa.texas.gov If you have questions, contact the Information and Customer Service Section at 800-252-9121 (press 2) . <small>You have certain rights under Government Code Chapters 552 and 559 to review, request and correct information we have on file about you. Contact us at the address or phone number listed on this form.</small>			

Form 50-704-2 (Rev.8-19/9)

Arbitration Determination for Contiguous Properties

Enter in value for each property arbitrated. Combine all values in line B below.

A. ARBITRATOR DETERMINATIONS

a. PROPERTY IDENTIFICATION <small>(Geo number and/ or R number)</small>	b. VALUE ORDERED BY APPRAISAL REVIEW BOARD	c. VALUE INDICATED BY PROPERTY OWNER ON REQUEST FOR ARBITRATION	d. ARBITRATOR VALUE FOR THIS PROPERTY <small>(Whole dollar amount only)</small>
1 Geo R	\$	\$	\$
2 Geo R	\$	\$	\$
3 Geo R	\$	\$	\$
4 Geo R	\$	\$	\$
5 Geo R	\$	\$	\$
6 Geo R	\$	\$	\$
7 Geo R	\$	\$	\$
8 Geo R	\$	\$	\$
9 Geo R	\$	\$	\$
10 Geo R	\$	\$	\$
11 Geo R	\$	\$	\$
12 Geo R	\$	\$	\$
13 Geo R	\$	\$	\$
14 Geo R	\$	\$	\$
15 Geo R	\$	\$	\$

B. COMBINED VALUE

Combined value for contiguous properties: \$ _____ (Whole dollar amount only. Enter total from line 2 on page 1 of this form.)

Appendix K - Form 50-890, Limited Binding Arbitration Determination

Comptroller of Public Accounts Form 50-890 (Rev. 3-22/2)		
Limited Binding Arbitration Determination		
a. Arbitration identification number	b. Arbitrator's ID number	c. Tax year for which determination is made
d. Property owner name		e. Property owner or taxpayer agent number
PROCEDURAL REQUIREMENTS SUBJECT TO LIMITED BINDING ARBITRATION		
A. Rescind ARB procedural rules that are not in compliance with the Comptroller's model hearing procedures as required by Tax Code Section 5.103. B. Schedule a hearing on a protest as required by Tax Code Section 41.45. C. Deliver information to the property owner as required by Tax Code Section 41.461. D. Allow the property owner to offer evidence, examine or cross-examine witnesses or other parties, and present arguments as required by Tax Code Section 41.66(b). E. Set a hearing for a time and date certain and postpone a hearing as required by Tax Code Section 41.66(i). F. Schedule hearings on protests concerning multiple properties identified in the same notice of protest on the same day at the request of the property owner or the property owner's designated agent as required by Section 41.66(j). G. Refrain from using or offering as evidence information requested by the property owner under Tax Code Section 41.461 that was not delivered to the property owner at least 14 days before the hearing as required by Tax Code Section 41.67(d).		
TO BE COMPLETED BY ARBITRATOR		
1. DISMISSAL FOR LACK OF JURISDICTION <input type="checkbox"/> I hereby dismiss this arbitration proceeding with prejudice for lack of jurisdiction. The reason for this dismissal is: <input type="checkbox"/> The owner or agent did not file a notice of protest under Chapter 41. <input type="checkbox"/> Taxes on the subject property are delinquent for any prior year, have not been paid in full for the year at issue, or have not been deferred under Tax Code Section 33.06 or 33.065; or the undisputed tax amount was not paid before the statutory delinquency date. <input type="checkbox"/> The owner or agent has not delivered written notice to the appraisal review board (ARB) chair, the chief appraiser and the taxpayer liaison officer for the applicable appraisal district as required by Tax Code Section 41A.015(b)(1). <input type="checkbox"/> The property owner filed the request earlier than the 11th day or later than the 30th day after the notice required by Tax Code Section 41A.015(b)(1) was delivered to the ARB chair, the chief appraiser and the taxpayer liaison officer for the applicable appraisal district. <input type="checkbox"/> The ARB or chief appraiser delivered a written statement to the property owner by the deadline pursuant to Tax Code Section 41A.015(b)(2). <input type="checkbox"/> Litigation was filed before this request was submitted that involves the same issues for the same properties in the same tax year addressed in this request. <input type="checkbox"/> The request does not involve a matter described under Tax Code 41A.015(a)(1)-(7).		
2. ARBITRATOR FEE Amount of Arbitrator fee not to exceed \$XXX.XX \$00		
I hereby certify that these findings and fee amount are true and correct.		
3a. Arbitrator name (Print or type)		Phone (Area code and number)
3b. <input type="checkbox"/> sign here Arbitrator		Date
Mail the Comptroller's copy of this form to: Comptroller of Public Accounts P.O. Box 13528 Austin, TX 78711-3528		Or FAX to: 512-463-8354 Or email to: ptad.cpa@cpa.texas.gov
If you have questions, contact the Information and Customer Service Section at 800-252-9121 (press 2). <i>You have certain rights under Government Code Chapters 552 and 559 to review, request and correct information we have on file about you. Contact us at the address or phone number listed on this form.</i>		

Form 50-890-2 (Rev.3-222)

**Limited Binding Arbitration Determination for
Procedural Requirement Violation(s)**

Select determination in Column C for each procedural requirement listed in Column B.

a. PROPERTY IDENTIFICATION <i>(Geo number and/ or R number)</i>	b. PROCEDURAL REQUIREMENT VIOLATION ALLEGED BY PROPERTY OWNER ON REQUEST FOR LIMITED BINDING ARBITRATION	c. ARBITRATOR DETERMINATION	
1 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation
2 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation
3 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation
4 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation
5 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation
6 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation
7 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation
8 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation
9 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation
10 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation
11 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation
12 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation
13 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation
14 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation
15 Geo R		<input type="checkbox"/> Failed to comply	<input type="checkbox"/> No violation

For more information, visit our website:
comptroller.texas.gov/taxes/property-tax

In compliance with the Americans with Disabilities Act,
this document may be requested in alternative formats
by calling toll free 800-252-5555.



Sign up to receive email updates on the Comptroller topics
of your choice at comptroller.texas.gov/subscribe/.

Texas Comptroller of Public Accounts
Publication #1823
August 2023