

# Property Owner's Request for Performance Audit of Appraisal District

Name of Appraisal District \_\_\_\_\_

Certain conditions must be met in order to request a performance audit by a property owner or group of property owners. Tax Code Section 5.12(c) states that at the written request of the owners of not less than 10 percent of the number of accounts or parcels of property in an appraisal district belonging to a single class of property, if the class constitutes at least five percent of the appraised value of taxable property within the district in the preceding year, or at the written request of the owners of property representing not less than 10 percent of the appraised value of all property in the district belonging to a single class of property, if the class constitutes at least five percent of the appraised value of taxable property in the preceding year, the comptroller shall audit the performance of the appraisal district. The property owners may request a general audit of the performance of the appraisal district or may request an audit of only one or more particular duties, practices, functions, departments, or other appraisal district matters. A property owner may authorize an agent to sign a request for an audit under this subsection on the property owner's behalf. The Texas Comptroller of Public Accounts may require a person signing a request for an audit to provide proof that the person is entitled to sign the request as a property owner or as the agent of a property owner.

A request for a performance audit of an appraisal district may not be made under Section 5.12(c) if according to each of the two most recently published studies conducted by the Comptroller under Section 5.10:

- (1) the overall median level of appraisal for all property in the district for which the Comptroller determines a median level of appraisal is more than 0.90 and less than 1.10;
- (2) the coefficient of dispersion around the overall median level of appraisal of the properties used to determine the overall median level of appraisal for all property in the district for which the Comptroller determines a median level of appraisal is less than 0.15; and
- (3) the difference between the highest and lowest median levels of appraisal in the district for the classes of property for which the Comptroller determines a median level of appraisal is less than 0.20.

A request for a performance audit of an appraisal district may not be made under Section 5.12(c):

- (1) during the two years immediately following the publication of the second of two consecutive studies according to which the Comptroller is required to conduct an audit of the district under Section 5.12 (a);
- (2) during the year immediately following the date the results of an audit of the district conducted by the Comptroller under Section 5.12 (a) are reported to the chief appraiser of the district; or
- (3) during a year in which the Comptroller is conducting a review of the district under Section 5.102.

The persons and property listed below represent ownership of 10% or more of the

Property Accounts     Parcels of Property     Appraised Value of All Property

Circle the property category (also referred to as the property class) below in which the property owner(s) requesting a performance audit qualify to submit a request according to the following criteria:

- Property owner(s) own(s) not less than 10 percent of the number of accounts or parcels of property in an appraisal district in a single category of property; AND
- The single category of property constitutes at least five percent of the appraised value of taxable property in the district in the preceding year.

OR

- Property owner(s) own(s) not less than 10 percent of the appraised value of all property in an appraisal district in a single category of property; AND
- The single category of property constitutes at least five percent of the appraised value of taxable property in the district in the preceding year.

[Example 1. ABC appraisal district has 1,000 vacant lots (category C below) on the appraisal roll. One lot equals one parcel. Ten (10) property owners own 10 vacant lots each, for a total of 100 vacant lots. 100 divided by 1,000 equals 10 percent. The taxable value of all property in the appraisal district is \$1 million. The total appraised value of all vacant lots is \$50,000, or 5 percent of the total taxable value of all property in the appraisal district.]

[Example 2. DEF appraisal district has 100 vacant lots on the appraisal roll totaling \$100,000. Ten (10) property owners own \$10,000 worth of vacant lots, or 10 percent of the total value of property in the vacant lot property category. Total taxable property in the district is \$2 million. Total appraised value of the vacant lots is \$100,000 or 5 percent of the value of all taxable property in the appraisal district.]

A: Real Property: Single-family Residential	G1: Real Property: Oil, Gas and Other Minerals	M1: Mobile Homes (Owner different from landowner)
B: Real Property: Multifamily Residential	G2: Real Property: Other Mineral Reserves	M2: Other Tangible Personal Property Not Taxable
C: Real Property: Vacant Lots and Tracts	G3: Real Property: Non-producing Minerals	N: Intangible Personal Property Only
D1: Real Property: Qualified Agricultural Land	H: Tangible Personal Property: Non-business Vehicles	O: Real Property: Residential Inventory
D2: Real Property: Non-qualified Land	J: Real and Tangible Personal Property: Utilities	S: Special Inventory
E: Real Property: Farm and Ranch Improvements	L1: Personal Property: Commercial	X: Totally Exempt Property
F1: Real Property: Commercial	L2: Personal Property: Industrial (Manufacturing)	
F2: Real Property: Industrial (Manufacturing)		

Attach completed Schedule A with this form.

Special Audit (check the item(s) requested to be audited)

- |   |   |
|---|---|
| <input type="checkbox"/> CAD compliance with applicable laws        | <input type="checkbox"/> CAD compliance with generally accepted appraisal standards   |
| <input type="checkbox"/> Duplication of CAD operational effort      | <input type="checkbox"/> General efficiency   |
| <input type="checkbox"/> Quality of taxpayer service                | <input type="checkbox"/> District personnel qualifications                            |
| <input type="checkbox"/> Uniformity and level of appraisal overall  | <input type="checkbox"/> Uniformity and level of appraisal by specific category _____ |
| <input type="checkbox"/> Effectiveness and efficiency of policies   | <input type="checkbox"/> Effectiveness and efficiency of management                   |
| <input type="checkbox"/> Effectiveness and efficiency of operations |   |

Note: CAD – County Appraisal District

General Audit

A general audit includes a review of:

- the extent to which the district complies with applicable law or generally accepted standards of appraisal or other relevant practice;
- the uniformity and level of appraisal of major kinds of property and the cause of any significant deviations from ideal uniformity and equality of appraisal of major kinds of property;
- duplication of effort and efficiency of appraisal district operations;
- the general efficiency, quality of service, and qualification of appraisal district personnel.

**Conditions Concerning Conducting a Performance Audit.**

The Comptroller shall complete an audit requested under Section 5.12(c) as soon as practicable after the request is made.

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

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

Before conducting an audit under Section 5.12(c), the comptroller may require the requesting property owners to provide the comptroller with a bond, deposit, or other financial security sufficient to cover the expected costs of conducting the audit and making the report. For purposes of this subsection, "costs" include expenses related to salaries, professional fees, travel, reproduction or other printing services, and consumable supplies that are directly attributable to conducting the audit.

If the audit is requested under Section 5.12(c), the property owners who requested the audit shall reimburse the comptroller for the costs incurred in conducting the audit and making its report of the audit and shall allocate the costs among those property owners in proportion to the appraised value of each property owner's property in the district or on such other basis as the property owners may agree. If the audit confirms that the median level of appraisal for a class of property exceeds 1.10 or that the median level of appraisal for a class of property varies at least 10 percent from the overall median level of appraisal for all property in the district for which the comptroller determines a median level of appraisal, within 90 days after the date a request is made by the property owners for reimbursement the appraisal district shall reimburse the property owners who requested the audit for the amount paid to the comptroller for the costs incurred in conducting the audit and making the report.

The Comptroller will conduct the audit according to Tax Code Section 5.13 and Comptroller Rule 9.201.

The following person is authorized to contact for the property owners submitting this request. All matters pertaining to the audit and requiring communications or transactions between the Comptroller and the parties making the request will be directed to the above property owners through the designated representative.

Authorized Property Owner Contact

Phone (area code and number)

Mailing Address

Email

City, State, ZIP Code

# Schedule A

With the submission of this form and by signature below the property owners identified in Schedule A confirm they meet the criteria and requirements for submitting a request for a performance audit of an appraisal district established by Tax Code Section 5.12(c).

**sign here** →

_____ Name of Owner	_____ Parcel or Account Number	_____ Appraised Value
_____ Owner's Signature		

**sign here** →

_____ Name of Owner	_____ Parcel or Account Number	_____ Appraised Value
_____ Owner's Signature		

**sign here** →

_____ Name of Owner	_____ Parcel or Account Number	_____ Appraised Value
_____ Owner's Signature		

**sign here** →

_____ Name of Owner	_____ Parcel or Account Number	_____ Appraised Value
_____ Owner's Signature		

**sign here** →

_____ Name of Owner	_____ Parcel or Account Number	_____ Appraised Value
_____ Owner's Signature		

**sign here** →

_____ Name of Owner	_____ Parcel or Account Number	_____ Appraised Value
_____ Owner's Signature		

**sign here** →

_____ Name of Owner	_____ Parcel or Account Number	_____ Appraised Value
_____ Owner's Signature		

**sign here** →

_____ Name of Owner	_____ Parcel or Account Number	_____ Appraised Value
_____ Owner's Signature		

Submit Schedule A with form 50-238, Property Owner's Request for Performance Audit of Appraisal District. Make additional copies of Schedule A as necessary.