

The seal of the Texas Comptroller of Public Accounts is visible in the background. It features a central five-pointed star surrounded by a wreath of olive and oak branches. The words "THE COMPTROLLER OF PUBLIC ACCOUNTS" are inscribed around the perimeter of the seal, and "TEXAS" is written at the bottom.

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Texas Comptroller of Public Accounts

Appraisal Review

Board Survey

2014 Results of

Property Owner

Responses

January 2015



Foreword

Tax Code Section 5.103(e) directs the Comptroller of Public Accounts to develop a survey for the purpose of providing the public with a reasonable opportunity to offer comments and suggestions concerning procedures used by an appraisal review board (ARB) in conducting a hearing and the fairness and efficiency of the ARB.

The Comptroller's office does not have authority to intervene in local tax matters or take direct action on any comment or suggestion submitted.

Tax Code Section 5.103(f) requires the Comptroller's office to issue an annual report summarizing the comments and suggestions received from property owners. This report is a compilation and summation of property owner responses received by the Comptroller's office through the electronic survey.

The Comptroller's office provides data received from property owners, their agents, chief appraisers or members of the public in a downloadable electronic spreadsheet that can be found on the Comptroller's website at comptroller.texas.gov/taxinfo/proptax/resources/reports.html.



Overview

The Comptroller's office developed an electronic survey that was administered locally by each appraisal district. Responses were collected beginning with each appraisal district's first hearing concerning 2014 appraisal records through Dec. 1, 2014.

The Comptroller's ARB survey captures information concerning the performance of ARB panels and full ARBs, and does not reflect the result of each protest hearing. One survey was allowed to be completed by each property owner at the conclusion of a hearing regardless of whether the hearing involved one account or several accounts; whether the accounts were related to the same property or not; and whether the hearing was conducted by a single ARB panel or the full ARB in a single day. Persons participating in a single protest hearing before the same ARB panel or full ARB over several days were allowed to complete one survey on each day. Persons participating in multiple protest hearings before different ARB panels on a single day were allowed to complete one survey for each panel.

This report summarizes property owner responses to the Comptroller's survey by topic. Survey questions requested comments or suggestions from property owners on the following six topics:

- survey respondent information;
- the conduct of the ARB members at the hearing;
- the ARB hearing process;
- the overall impression of the ARB hearing;
- the protest of the property considered in a hearing; and
- suggestions to improve the ARB process.



Respondent Information

The Comptroller’s ARB survey received 2,515 responses from property owners who personally attended an ARB hearing. Responses were collected beginning with each appraisal district’s first hearing concerning the 2014 appraisal records through Dec. 1, 2014. Of the 254 counties in Texas, 122 had property owners who responded to the ARB survey and 131 had no respondents. Of the 122 counties with respondents, 38 counties had 10 or more property owners respond to the ARB survey. **Exhibit 1** shows the six counties with more than 100 property owner respondents. All other counties had less than 100 property owners respond to the Comptroller’s ARB survey.

EXHIBIT 1

Counties with More Than 100 Respondents

ARB	Response Percent	Response Count
El Paso	15.1%	381
Montgomery	9.6%	241
Brazoria	8.1%	196
Williamson	6.4%	160
Jefferson	5.0%	126
Presidio	4.0%	101

Exhibit 2 shows the breakdown of the number of responses received to the ARB survey by county. It includes the number of responses each county’s ARB received and the percentage of the total responses received. **Exhibit 2** does not include the 131 counties in which no property owners responded to the ARB survey.

EXHIBIT 2

Respondent Count by County

County	Response Percent	Response Count
Anderson	0.9%	22
Andrews	0.2%	4
Angelina	0.2%	4
Aransas	0.0%	1
Archer	0.0%	1
Atascosa	0.4%	9
Austin	1.1%	27

County	Response Percent	Response Count
Bandera	0.1%	3
Bastrop	0.1%	3
Bexar	0.4%	10
Blanco	1.5%	38
Bosque	0.0%	1
Bowie	0.2%	5
Brazoria	8.1%	196
Brazos	0.0%	1
Brewster	1.4%	35
Burleson	0.6%	16
Burnet	0.4%	11
Caldwell	2.2%	56
Calhoun	0.4%	11
Cameron	0.7%	18
Carson	0.1%	2
Cass	0.6%	16
Clay	0.2%	4
Coke	0.1%	3
Collin	0.4%	9
Colorado	0.2%	4
Comal	0.2%	4
Concho	0.0%	1
Cooke	0.3%	8
Coryell	0.1%	3
Dallas	0.2%	5
Duval	0.0%	1
Ector	0.2%	6
Edwards	0.5%	13
El Paso	15.1%	381
Ellis	0.1%	2
Erath	0.1%	2
Falls	0.0%	1
Fannin	0.0%	1
Fayette	0.5%	13
Fisher	0.1%	2

County	Response Percent	Response Count
Fort Bend	1.1%	27
Franklin	0.2%	6
Freestone	0.0%	1
Frio	0.0%	1
Galveston	0.1%	2
Gillespie	0.6%	14
Gonzales	1.9%	49
Hale	0.1%	3
Hardeman	0.0%	1
Hardin	0.6%	15
Harris	1.2%	31
Harrison	0.2%	4
Hartley	0.2%	5
Hays	3.3%	83
Henderson	0.0%	1
Hidalgo	2.3%	58
Hockley	0.0%	1
Hood	1.6%	39
Hopkins	0.0%	1
Houston	0.2%	4
Jasper	1.3%	33
Jefferson	5.0%	126
Jones	0.1%	2
Karnes	0.0%	1
Kaufman	0.1%	3
Kendall	0.0%	1
Kleberg	0.1%	2
Lamar	0.0%	1
Lampasas	0.2%	6
Liberty	0.7%	18
Limestone	0.2%	5
Lubbock	0.2%	4
Lynn	0.2%	5
Madison	0.0%	1
Mason	0.1%	3
Matagorda	0.9%	22
McLennan	0.1%	2
Menard	0.1%	3
Midland	0.0%	1
Milam	0.2%	4
Mills	0.1%	2

County	Response Percent	Response Count
Montgomery	9.6%	241
Morris	0.0%	1
Navarro	0.5%	12
Nueces	2.4%	60
Ochiltree	0.2%	4
Palo Pinto	1.8%	45
Parker	1.0%	26
Potter	0.2%	4
Presidio	4.0%	101
Rains	0.3%	7
Randall	0.2%	6
Robertson	0.2%	6
Rockwall	3.2%	81
San Augustine	0.2%	6
San Jacinto	0.2%	6
San Patricio	0.2%	6
Schleicher	0.0%	1
Smith	0.4%	11
Stephens	0.0%	1
Sterling	0.1%	3
Stonewall	0.0%	1
Sutton	0.1%	3
Tarrant	0.2%	4
Taylor	0.2%	6
Terry	0.0%	1
Titus	0.2%	6
Tom Green	0.3%	8
Travis	0.3%	7
Upshur	0.2%	4
Val Verde	0.0%	1
Waller	0.2%	5
Wharton	2.1%	52
Wheeler	0.0%	1
Wichita	0.4%	9
Williamson	6.4%	160
Wise	2.5%	64
Young	0.0%	1
Zapata	0.1%	2
Zavala	0.3%	8



Conduct of ARB Members

The Comptroller’s ARB survey gave property owners an opportunity to comment about the conduct of the ARB members at the hearing. Property owners were asked to select strongly agree, agree, no opinion, disagree or strongly disagree pertaining to five categories of conduct of ARB members. They were asked if ARB members were courteous, attentive, knowledgeable, organized and fair. More than half of the respondents indicated they strongly agree that ARB members acted positively in each category. **Exhibit 3** shows the breakdown by percentage of responses to each question.

Property owners were also asked if their comments on ARB member conduct reflect the conduct of the ARB as a whole or an individual ARB member. Of the 2,268 respondents, an overwhelming 96.4 percent of property owners indicated that their comments were based on the conduct of the ARB as a whole compared to 3.6 percent who indicated their comments were based on an individual ARB member.

EXHIBIT 3
Conduct of the ARB Members

Conduct	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree	Number of Responses
Courteous	73.6%	22.5%	2.2%	0.6%	1.1%	2,342
Attentive	70.8%	23.4%	2.5%	1.7%	1.6%	2,317
Knowledgeable	62.6%	23.2%	7.2%	4.6%	2.5%	2,320
Organized	66.1%	24.7%	5.2%	2.6%	1.4%	2,310
Fair	55.4%	21.9%	7.3%	8.7%	6.7%	2,289



ARB Hearing Process and Overall Impressions

The Comptroller’s ARB survey gave property owners an opportunity to comment about the ARB hearing process. When asked about various aspects of the hearing process, property owners were asked to select from the following responses: strongly agree, agree, no opinion, disagree or strongly disagree. The property owners were asked whether:

- the hearing procedures were informative;
- the hearing procedures were followed;
- they received prompt service;
- they were given reasonable time to present evidence;
- the ARB considered the evidence thoughtfully; and
- the protest determination was stated clearly.

More than 88 percent of the respondents either strongly agreed or agreed that ARBs generally have hearing procedures that are informative of the hearing process, and approximately 90 percent of respondents indicated that the ARBs followed their hearing procedures. Almost 88 percent of respondents indicated they received prompt service when attending ARB hearings.

More than 92 percent of respondents felt they had a reasonable amount of time to present their evidence during the ARB hearing, and over 78 percent felt their evidence was thoughtfully considered by the ARB panel. More than 89 percent of

respondents thought their protest determination was clearly stated by the ARB. **Exhibit 4** shows the breakdown by percentage of responses to each question.

Property owners were also asked to comment on their overall impression of the ARB. **Exhibit 5** indicates that based on the 2,141 responses received, property owners have an excellent overall impression of the ARB.

EXHIBIT 5
Overall Impression of the ARB

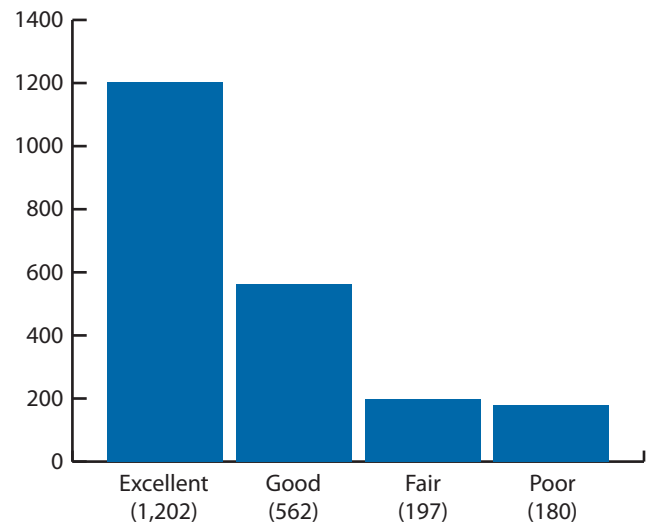


EXHIBIT 4
ARB Hearing Process

Hearing Process	Strongly Agree	Agree	No Opinion	Disagree	Strongly Disagree
Informative hearing procedures	53.4%	35.0%	6.2%	3.5%	1.9%
Hearing procedures followed	58.0%	32.0%	6.9%	1.6%	1.6%
Prompt service	56.9%	31.0%	5.6%	3.9%	2.6%
Reasonable time to present evidence	60.2%	32.5%	2.5%	2.3%	2.5%
Evidence considered thoughtfully	53.3%	24.8%	6.7%	8.9%	6.3%
Protest determination stated clearly	58.2%	31.5%	5.0%	3.1%	2.2%

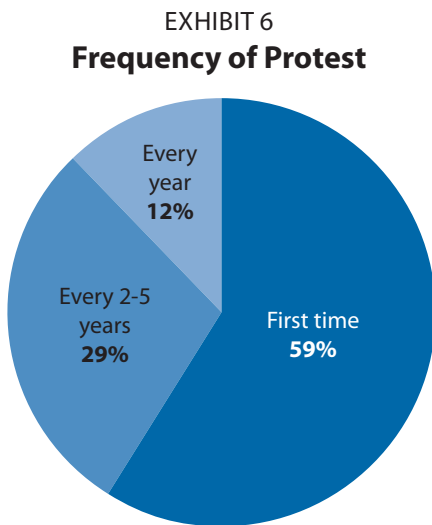


Protests of Property

The Comptroller’s ARB survey gave property owners an opportunity to comment on various issues related to protests to the ARB using a series of five questions.

Frequency of Protest

Property owners were asked how often they protest. As shown in **Exhibit 6**, 59.2 percent of the 2,160 responses received indicated it was the property owner’s first time to protest; 29 percent indicated they protest every two to five years; and 11.8 percent indicated they protest every year.



Meeting Prior to ARB Hearing

Property owners were asked if they met with appraisal district staff in an attempt to agree to an appraised value of their property prior to proceeding to an ARB hearing. Of the 2,196 responses received, 62.3 percent indicated that property owners met with appraisal district staff in an attempt to reach an agreed value prior to proceeding to an ARB hearing; 36.4 percent indicated they did not; and 1.2 percent indicated their protest was not a value issue.

Appraisal District Website

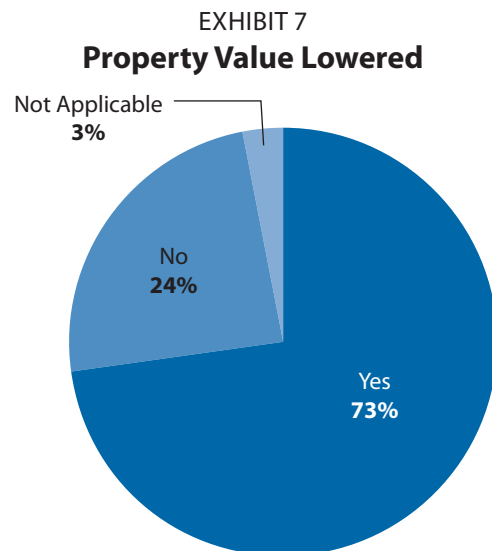
Property owners were asked if information on the appraisal district website was helpful, if used, in preparing for their hearings. Of the 2,181 responses received, 37.6 percent of the respondents indicated that the appraisal district website was helpful in preparing for their hearing; 22.5 percent indicated that it was not; and 39.9 percent indicated that the question was not applicable.

Documentation Presented

Property owners were asked if they presented documentation to the ARB at their hearings. Of the 2,180 responses received, 86.4 percent of property owners indicated that they presented documentation at their hearings and 13.6 percent indicated they did not.

Lowered Property Value

Property owners were asked to comment on whether their property value was lowered if the protest was determined by the ARB. As shown in **Exhibit 7**, 72.9 percent of the 2,145 responses received indicated the ARB lowered the property value; 24.0 percent indicated their value was not lowered; and 3.1 percent indicated their protest was not a value issue.





Suggestions to Improve the ARB Process

The Comptroller’s ARB survey gave property owners an opportunity to offer suggestions about improving the ARB process using a series of nine questions.

Protest Filing Fee

Property owners were asked if a protest filing fee should be assessed to fund ARB operations. Of the 2,234 responses received, 92.6 percent of the property owners responded that no fee should be assessed and 7.4 percent responded that a fee should be assessed.

Property owners were asked if they would be willing to pay a protest filing fee that is refunded if the property owner attends the hearing or an agreement is reached in an informal meeting. Of the 2,228 responses received, 66.7 percent of the respondents would not be willing to pay a refundable fee, but 33.3 percent responded that they would.

Pre-Hearing

Property owners were asked what information would have been useful to them in deciding whether to protest. Of the 2,248 responses received, 66.2 percent of the property owners responded that comparable property information would have been useful to their decision; 40.8 percent responded that sales data would have been useful; and 21.0 percent indicated that the question was not applicable.

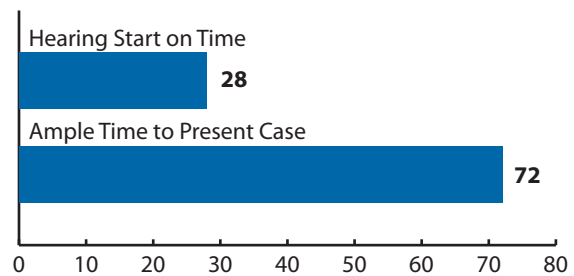
Property owners were asked if they should communicate or meet with appraisal district staff before ARB hearings. Of the 2,246 responses received, 74.2 percent responded “yes” and 25.8 percent responded “no.”

Property owners were asked if all property owners (in addition to residence homeowners) should be allowed to file a protest electronically. Of the 2,233 responses received, 86.3 percent of property owners responded that they should be allowed to file protests electronically and 13.7 percent responded that they should not.

ARB Hearing

Property owners were asked which is more important: having hearings start on time or having ample time to present their cases at hearings. As shown in **Exhibit 8**, 72.0 percent of the 2,255 respondents indicated that it is more important to have ample time to present their case; 28.0 percent indicated it is more important to have the hearing start on time.

EXHIBIT 8
ARB Hearing Length Versus Timely Start



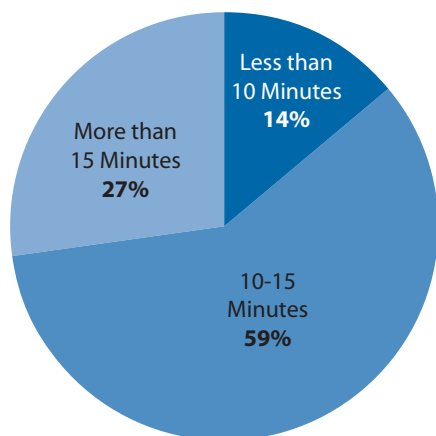
Property owners were asked if ARB protests should be heard and determined at regional hearings not conducted in their own county. Of the 2,201 responses received, 81.1 percent of property owners responded “no,” indicating that they believe protests should be heard and determined in their counties; 18.9 percent responded “yes” to having regional hearings.

Property owners were asked if they should be given the option of how to receive evidence that appraisal districts will use at ARB hearings (e.g., paper, electronically or through a website posting). Of the 2,247 responses received, 94.0 percent of the respondents indicated they should be given the option and 6.0 percent indicated they should not.

Property owners were asked what a reasonable amount of time would be for each party (property owner and appraisal district) to present evidence at hearing which would allow individual homeowners an opportunity to present their cases. As shown in **Exhibit 9**, 58.8 percent of the 2,270 respondents

indicated that 10-15 minutes is a reasonable amount of time; 27.5 percent indicated more than 15 minutes is reasonable; and 13.7 percent indicated that less than 10 minutes is reasonable.

EXHIBIT 9
Reasonable Time for ARB Hearing





Conclusion

The majority of property owners responding to the Comptroller's ARB survey either agreed or strongly agreed that ARB members are courteous, attentive, knowledgeable, organized and fair. The majority of respondents reported an excellent overall impression of the ARB and agreed or strongly agreed to the following regarding the ARB hearing process:

- The ARB's hearing procedures were informative.
- The ARB's hearing procedures were followed.
- The service was prompt.
- Property owners had a reasonable time to present their evidence.
- Their evidence was considered thoughtfully.
- The protest determination was stated clearly.

A majority of the property owner respondents indicated that their property value was lowered by the ARB and most were first time protesters. Many property owners use information from appraisal district websites to prepare for hearings and most present documentation to the ARB at their hearings.

The majority of property owners indicated they do not want to pay a protest filing fee, even if it is refundable when a hearing is attended or an agreement is reached. Most property owners indicated that they would find information on comparable properties most useful when deciding whether to protest; that they think there should be communication with the appraisal district before the ARB hearing; and that all property owners should be allowed to file a protest electronically, not just residence homeowners.

Most property owners indicated that having ample time to present their case at an ARB hearing is more important than the hearing starting timely. They also indicated that they want hearings held in their counties and not heard or determined at regional hearings. They would like to be given the option of how to receive evidence their appraisal districts intend to use at their hearings. Lastly, the majority indicated that 15-20 minutes is a reasonable amount of time for each party to present evidence at the ARB hearing.

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