

## **SAMPLE RESOLUTION: REAL VALUES FOR TEXAS**

WHEREAS, the [County] Central Appraisal District performs appraisals for residential and commercial properties; and

WHEREAS, commercial property owners are often successful in receiving dramatic value reductions through those appeals to the Appraisal Review Board or District Court; and

WHEREAS, commercial appraised values are more frequently lowered than are residential appraised values, which has the effect of shifting more of the tax burden to residential properties; and

WHEREAS, Texas is one of less than a dozen states that does not have mandatory sales-price disclosure for real property; and

WHEREAS, the lack of disclosure of actual sale prices of commercial property makes determining value as part of the appraisal process difficult, and the City seeks to make sales data more accurate and complete; and

WHEREAS, since 1997, hundreds of commercial property owners statewide have filed "equity appraisal" lawsuits, which allow courts to reduce appraised values to the median of comparable properties; and

WHEREAS, appraisal districts are required to bear the burden of the legal costs associated with appeals if the commercial property owners are successful in their appeals;

WHEREAS, reasonable standards of comparability, including property location, use, size, extent and condition of improvements, and legal entitlements, would ensure that equity appraisal assessments are in fact equitable, but are not required by the state and in many cases are not considered by the courts; and

WHEREAS, the City prepares its own legislative agenda, identifying top priorities for the legislative session, and comprehensive property tax reform should be a priority for the City];

NOW, THEREFORE, BE IT RESOLVED BY THE [CITY COUNCIL] OF THE [CITY OF]:

[Council] directs the [City Manager] to add appraisal district legal fee reform, equity appeals reform, and mandatory real estate sales price disclosure and other property tax laws that would help cities fairly raise revenue from sources other than residential property taxes to the City's 84<sup>th</sup> legislative agenda and to make it a top priority; and to explore participation in other coalitions supporting property tax reform in Texas.