

Participation

An appraisal district is established in each county. The appraisal district is responsible for appraising property in the appraisal district for ad valorem tax purposes of each taxing unit that imposes ad valorem taxes on property in the appraisal district. *Tex. Const. Art. VIII, 18(b); Tax Code 6.01(a)–(b)*

**Appraisal District
Board of Directors**

The appraisal district is governed by a board of directors. Five directors are appointed by the taxing units that participate in the appraisal district as provided by Tax Code 6.03.

Eligibility

To be eligible to serve on the appraisal district board of directors, an individual other than a county assessor-collector serving as a nonvoting director must be a resident of the appraisal district and must have resided in the appraisal district for at least two years immediately preceding the date the individual takes office. An individual who is otherwise eligible to serve on the appraisal district board is not ineligible because of membership on the governing body of a taxing unit.

An employee of a taxing unit that participates in the appraisal district is not eligible to serve on the board of directors unless the individual is also a member of the governing body or an elected official of a taxing unit that also participates in the appraisal district.

Tax Code 6.03(a)

Restrictions

*Nepotism and
Delinquent Taxes*

An individual is ineligible to serve on an appraisal district board of directors and is disqualified from employment as chief appraiser if the individual:

1. Is related within the second degree by consanguinity or affinity, as determined under Government Code Chapter 573, Subchapter B [see DBE], to an individual who is engaged in the business of appraising property for compensation for use in proceedings under the Tax Code or of representing property owners for compensation in proceedings relating to property taxes in the appraisal district; or
2. Owns property on which delinquent taxes have been owed to a taxing unit for more than 60 days after the date the individual knew or should have known of the delinquency unless the delinquent taxes and any penalties and interest are being paid under an installment payment agreement under Tax Code 33.02 or a suit to collect the delinquent taxes is deferred or abated under Tax Code 33.06 or 33.065.

Tax Code 6.035(a)

*Involvement with
Past Appraisals*

An individual is ineligible to serve on an appraisal district board of directors if the individual has engaged in the business of appraising

property for compensation for use in proceedings under the Tax Code or of representing property owners for compensation in proceedings under the Tax Code in the appraisal district at any time during the preceding three years. *Tax Code 6.035 (a-1)*

Conflict of Interest

An individual is not eligible to be appointed to or to serve on the board of directors of an appraisal district if the individual or a business entity in which the individual has a substantial interest is a party to a contract with:

1. The appraisal district; or
2. A taxing unit that participates in the appraisal district, if the contract relates to the performance of an activity governed by the Tax Code.

An individual has a substantial interest in a business entity if the combined ownership of the individual and the individual's spouse is at least ten percent of the voting stock or shares of the business entity or the individual or the individual's spouse is a partner, limited partner, or officer of the business entity.

"Business entity" means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, or other entity recognized by law.

Tax Code 6.036

Recall

The governing board of a taxing unit may call for the recall of a member of the board of directors of an appraisal district appointed under Tax Code 6.03 for whom the unit cast any of its votes in the appointment of the board of directors. The call must be in the form of a resolution, be filed with the chief appraiser of the appraisal district, and state that the unit is calling for a recall of the member. *Tax Code 6.033(a)*

Terms

The taxing units participating in an appraisal district may provide that the terms of the appointed members of the appraisal district board of directors be staggered if the governing bodies of at least three-fourths of the taxing units that are entitled to vote on the appointment of appraisal district board members adopt resolutions providing for the staggered terms. *Tax Code 6.034(a)*

**Appraisal District
Employment
Restriction**

An individual may not be employed by an appraisal district if the individual is:

1. An officer of a taxing unit that participates in the appraisal district; or
2. An employee of a taxing unit that participates in the appraisal district.

Tax Code 6.054

Appraisal Office

The board of directors of an appraisal district may contract with an appraisal office in another appraisal district or with a taxing unit in the appraisal district to perform the duties of the appraisal office for the appraisal district. *Tax Code 6.05(b)*

Ownership or Lease of Real Property

The acquisition or conveyance of real property or the construction or renovation of a building or other improvement by an appraisal district must be approved by the governing bodies of three-fourths of the taxing units entitled to vote on the appointment of appraisal district board members.

The appraisal district board of directors by resolution may propose a property transaction or other action for which Tax Code 6.051 requires approval of the taxing units. The chief appraiser shall notify the presiding officer of each governing body entitled to vote on the approval of the proposal by delivering a copy of the appraisal district board's resolution, together with information showing the costs of other available alternatives to the proposal.

On or before the 30th day after the date the presiding officer receives notice of the proposal, the governing body of a taxing unit by resolution may approve or disapprove the proposal. If a governing body fails to act on or before that 30th day or fails to file its resolution with the chief appraiser on or before the tenth day after that 30th day, the proposal is treated as if it were disapproved by the governing body.

Tax Code 6.051(b)

Proceeds

The appraisal district's board of directors may convey real property owned by the district, and the proceeds shall be credited to each taxing unit that participates in the appraisal district in proportion to the unit's allocation of the appraisal district budget in the year in which the transaction occurs. *Tax Code 6.051(c)*

Budget and Financing

Each year the chief appraiser shall prepare a proposed budget for the operations of the appraisal district for the following tax year as described in Tax Code 6.06(a) and shall submit copies to each taxing unit participating in the appraisal district and to the appraisal district board of directors before June 15. *Tax Code 6.06(a)*

Public Posting

Each taxing unit entitled to vote on the appointment of appraisal district board members shall maintain a copy of the proposed budget for public inspection at its principal administrative office. *Tax Code 6.06(a)*

Budget Adoption

The appraisal district board of directors shall hold a public hearing to consider the budget. The secretary of the appraisal district board shall deliver to the presiding officer of the governing body of each taxing unit participating in the appraisal district not later than the

tenth day before the date of the hearing a written notice of the date, time, and place fixed for the hearing. The appraisal district board of directors shall complete its hearings, make any amendments to the proposed budget it desires, and finally approve a budget before September 15.

If governing bodies of a majority of the taxing units entitled to vote on the appointment of appraisal district board members adopt resolutions disapproving a budget and file them with the secretary of the appraisal district board within 30 days after its adoption, the budget does not take effect, and the appraisal district board shall adopt a new budget within 30 days of the disapproval.

Tax Code 6.06(b)

Amendments

The appraisal district board may amend the approved budget at any time, but the secretary of the appraisal district board must deliver a written copy of a proposed amendment to the presiding officer of the governing body of each taxing unit participating in the appraisal district not later than the 30th day before the date the appraisal district board acts on it. *Tax Code 6.06(c)*

Allocation

Each taxing unit participating in the appraisal district is allocated a portion of the amount of the budget and must pay its allocation as provided by Tax Code 6.06. *Tax Code 6.06(d)*

Changes in Method
of Financing

The board of directors of an appraisal district, by resolution adopted and delivered to each taxing unit participating in the appraisal district after June 15 and before August 15, may prescribe a different method of allocating the costs of operating the appraisal district unless the governing body of any taxing unit that participates in the appraisal district adopts a resolution opposing the different method, and files it with the appraisal district board of directors before September 1. If an appraisal district board proposal is rejected, the appraisal district board shall notify, in writing, each taxing unit participating in the appraisal district before September 15.

The taxing units participating in an appraisal district may adopt a different method of allocating the costs of operating the appraisal district in accordance with Tax Code 6.061.

Tax Code 6.061(a)–(b)

**Disapproval of
Appraisal District
Board Actions**

If the governing bodies of a majority of the taxing units entitled to vote on the appointment of appraisal district board members adopt resolutions disapproving an action, other than adoption of the budget, by the appraisal district board of directors and file them with the secretary of the appraisal district board within 15 days after the action is taken, the action is revoked effective the day after

the day on which the required number of resolutions is filed. *Tax Code 6.10*

**Appraisal Review
Boards**

An appraisal review board is established for each appraisal district, unless the boards of directors of two or more adjoining appraisal districts provide for the operation of a consolidated appraisal review board by interlocal contract. Except as provided in Tax Code 6.41(d-1), members of the appraisal review board are appointed by resolution of a majority of the appraisal district board of directors.

The board of directors of an appraisal district, by resolution of a majority of the members, may provide for a number of auxiliary appraisal review board members that the appraisal district board considers appropriate to hear taxpayer protests before the appraisal review board and to assist the board in performing its duties.

Members of the appraisal review board, including auxiliary members, are subject to the eligibility restrictions described in Tax Code 6.412, including prohibitions on service by college district board members, officers, and employees, and Tax Code 6.413, including prohibitions on service by individuals who are parties to certain contracts.

Tax Code 6.41, .412-.413, .414(a)-(b)

Exception

In a county with a population of 120,000 or more, the members of the appraisal review board are appointed by the local administrative district judge under Government Code, Chapter 74, Subchapter D in the county in which the appraisal district is established. *Tax Code 6.41(d-1)*

Prohibition on
Contracts

A taxing unit may not enter into a contract with a member of the appraisal review board established for an appraisal district in which the taxing unit participates or with a business entity in which a member of the appraisal review board has a substantial interest as defined in Tax Code 6.413. *Tax Code 6.413(c)*

Challenge Before
Appraisal Review
Board

A taxing unit is entitled to challenge before the appraisal review board:

1. An exclusion of property from the appraisal records;
2. A grant in whole or in part of a partial exemption;
3. A determination that land qualifies for appraisal as provided by Tax Code Chapter 23, Subchapter C, D, E, or H; or
4. Failure to identify the taxing unit as one in which a particular property is taxable.

Tax Code 41.03(a)