



Hearings: Rules and Procedures

Current as of March 6, 2020

It is the policy of the Appraisal Review Board of Harris County (“ARB”) that all hearings shall be conducted in a professional, competent, consistent, impartial, and efficient manner. The purpose of these rules and procedures is to ensure compliance with this policy at all times. These rules and procedures apply to hearings conducted under Chapter 41 of the Texas Tax Code, hearings on motions to correct the appraisal roll submitted under Section 25.25 of the Texas Tax Code, and hearings on any challenge filed by a local taxing jurisdiction. Recommendations made by all panels shall be based only on the evidence submitted to the panels. This notwithstanding, hearings are to be as informal as practical.

I. Hearing by Panel

As provided by Texas Tax Code, Sec. 41.45(d), the ARB sits in panels of three or more members to conduct hearings. The ARB chairperson schedules formal hearings, determines the constitution of panels and selects the panel chairs. The panel chair presides over the hearing, is responsible for opening and closing the hearing, maintaining order, conducting the hearing within designated time limits, and ensuring a determination is made on each hearing. All hearings are open to the public, unless closed by a joint motion. A panel decision is not final and has no effect until approved by the full ARB. If the ARB does not approve a panel decision, a panel comprised of different members shall rehear the matter.

There shall be absolutely no eating of any food in the ARB protest hearing rooms at any time, even if a panel room is not in use or while a panel is on break. There shall be no disposable beverage containers in the ARB protest hearing rooms. The only drinks or liquids permitted in an ARB protest hearing room are: beverages in tumblers with a fixed lid or bottled water; no disposable drink containers (other than bottled water) are permitted.

II. Official Hearing Procedures

The following steps represent the normal course of a hearing. These hearing procedures are established and are intended to comply with Texas Comptroller’s Model Hearing Procedures and Texas Tax Code, Sec. 41.66. They shall be posted in each hearing room and a summary provided to the property owner upon request at least 14 days in advance of the scheduled hearing.

The panel chair may alter the order if he or she finds it necessary to expedite the hearing. To the maximum extent possible, hearings shall be limited to 15 – 20 minutes per account. Hearings on multiple accounts listed on a docket will be limited to a maximum 10 minutes per account. The panel chair may increase or decrease this time limit based upon the complexity of the hearing, but it should not be extended without good reason.

III. Appearance

Property owners and agents must indicate their appearance for a hearing by checking in each account and/or docket at the registration desk on the first floor at least fifteen (15) minutes in advance of the scheduled

hearing time Agents for firms that employ multiple agents or have multiple dockets for a given day must check in at least thirty (30) minutes in advance of a hearing. ARB support staff may make exceptions for individuals who arrive late due to circumstances beyond their control. Pursuant to Texas Tax Code, Sec. 1.111(i), an agency authorization is considered to be filed at or before the hearing if a copy of the authorization is filed at or before the scheduled date and time of the hearing at the registration desk on the first floor.

Agents may only check in their own docket to work on any day which they have formal hearings before the ARB. Agents are prohibited from checking in a docket for another person, even if the other person works for the same firm/company.

If a property owner or agent appears on the scheduled protest hearing date and time and his/her hearing does not begin within two hours of the scheduled time, the ARB must postpone the protest hearing upon request. Texas Tax Code §41.66(i).

Property owners and agents have the responsibility to review their receipts for accuracy and should immediately bring any inaccuracy to the attention of the registration desk. After checking in, agents have until noon for morning dockets and until 5:30 pm for afternoon dockets to correct any omissions or other inaccuracies.

IV. Conflicts of Interest

Should a conflict exist between an ARB member and a property owner or property under protest, that member shall recuse themselves from that protest hearing. The types of conflicts that exist are:

1. Personal – If an ARB member is related by affinity within the second degree or consanguinity within the third degree to the owner of the property (whether protested personally or by an agent).
2. Financial – If an ARB member has a substantial interest in a business entity as defined in the Local Government Code §171.002. Substantial Interest means:
 - a. Ownership of 10% or more voting stock of a business;
 - b. Ownership of \$15,000 or more of fair market value of a business;
 - c. Member receives at least 10% of their gross income from the business; or
 - d. Ownership of \$2,500 or more of fair market value of real property.

If an ARB member meets any of the above described criteria, that member must recuse themselves from that protest hearing. If an ARB member meets any of the criteria listed in the Local Government Code §171.001 et. seq., then that member must also immediately prepare an affidavit, disclosing their interest in the property and file it with the ARB Secretary. Once an ARB member recuses him or herself, they will be replaced for that hearing only and then return to the same ARB panel and resume hearings as normal.

V. Order of Hearing

Panels shall conduct hearings in a uniform and consistent manner by following a standard model of hearing procedures which are adapted by the panel chair as necessary for the efficient management of the hearing. The following order of proceedings will generally apply.

1. When a panel is ready to conduct a hearing, an ARB support staff member shall escort the property owner or designated representative to the hearing room and announce the individual's name to the panel.

2. All observers / visitors to an ARB hearing, who are not a party to the proceeding, must check in at the front desk and be escorted to a panel room by ARB support staff. All observers / visitors must obtain the permission of the ARB panel chair to sit and observe hearings. Permission may be granted only after considering space availability, safety and operational concerns. Observers / visitors must remain silent, sit in the back of the room (behind the ARB panel members) and not disturb hearings as they proceed. If an observer / visitor wishes to move to another hearing room, they must be escorted to a new panel by ARB support staff.
3. The panel chair will introduce all participants and may briefly explain the hearing procedures, if needed.
4. The appraisal district representative will state they are under oath.
5. The account number, property owner's name, and hearing type will be announced. Also read into the record are the legal description and a brief physical description of the property as reflected in the appraisal record(s). The panel chair will ask if this information is accurate. Important discrepancies must be resolved before continuing the hearing, including if any legal reasons exist as to why the hearing cannot proceed.
6. The panel chair will ask all persons intending to testify if they hold a license or certificate from the Texas Appraiser Licensing and Certification Board. The chair will then place each person intending to testify under oath and sign an acknowledgment statement for purposes of the hearing.
7. In a value hearing the property owner or agent should provide their opinion of value.
8. The panel chair will restate the opinion of value for the record.
9. The owner or designated representative shall complete and sign a disclosure form attesting to the truth of the person's testimony. This form is part of the hearing record. (If the property owner or designated representative does not sign the disclosure form, the panel chair will proceed with the hearing, but information and testimony submitted by that person will not be considered as sworn evidence.) Each panel member will sign an affidavit stating that the member has not discussed the subject matter of the hearing outside of the hearing. If a board member communicated with another person in violation of Texas Tax Code, Sec. 41.66(f), the member must recuse him or herself from the proceedings and may not hear, deliberate, or vote on the determination of the protest.
10. The panel chair will then ask the parties to exchange all evidence they intend to produce during the hearing which has not previously been produced. If the district failed to produce evidence that it intends to argue and offers into evidence during the hearing, the ARB shall postpone the hearing upon the request of a property owner for additional time. (Only one postponement for this reason is required.) If the hearing continues, the panel shall disregard evidence not previously produced when rendering their panel determination.
11. The property owner or designated representative may elect to present their testimony and evidence before or after the appraisal district presents its testimony and evidence. Whomever the property owner/agent elects to present the case first, that party will begin argument supporting his or her position. Because time is limited, the panel chair should restrict the presentation to relevant evidence and arguments pertaining to the protest. At the end of the property owner's or appraisal district's presentation, the panel chair shall permit panel members to question that party directly.
12. The panel chair will ask the opposing party (the party who did not testify) if there are any questions for the party who just presented their testimony and evidence.

13. The panel chair will ask the opposing party (the party who did not testify) to present their evidence and testimony. Discussion will likewise be restricted to only relevant evidence and argument pertaining to the protest. At the end of this presentation, the panel chair shall permit panel members to question the party directly.
14. The panel chair will ask the opposing party (the party who did not testify) if there are questions for the party who just presented their testimony and evidence.
15. The panel chair will ask both parties if there is any rebuttal evidence. (NOT new evidence)
16. The panel chair will ask both parties for a brief closing comment. (The party who presented their primary testimony and evidence first shall not be the last party to speak. The party who presented their primary testimony and evidence second, shall be the last to offer closing comments.)
17. The panel chair will state for the record testimony is closed. Once testimony is closed, no further testimony or argument may be received from either party unless a panel member specifically asks for additional information. If this occurs, the other party should be given an opportunity to respond.
18. The panel will deliberate among its members. All deliberation must be oral; the passing of notes or messages is prohibited. After the panel reaches a decision, the panel chair shall announce the decision. A brief statement as to the basis for the decision should be provided. The panel chair then announces the hearing is over and provides the property owner or designated representative with a copy of the hearing results. [If the property owner or agent wishes to participate in a survey, they may go to the front desk and ask to participate in the survey or wait for instructions in the mail.]

VI. Testimony and Examination of Witnesses

Any ARB member hearing a case may question any witness testifying before the ARB and may question any of the parties appearing.

Each party at a hearing will be permitted to offer evidence and present arguments on matters subject to the protest. At appropriate times during a hearing, the panel chair will allow property owners, agents and district appraisers an opportunity to ask the opposing party questions.

Argument may be offered by telephone conference call upon the filing of a proper request at least ten days prior to the scheduled hearing. To offer evidence in a hearing conducted by a telephone conference call, a property owner must submit a written affidavit containing all evidence before the hearing begins. A property owner is responsible for providing access to a hearing conducted by telephone conference call to another person the owner invites to participate in the hearing.

Interpreters: Any property owner or agent requiring the use of an interpreter **MUST** provide their own interpreter. If a property owner or agent requires the use of an interpreter, and does not bring an interpreter, an interpreter from HCAD may be used. However, if using an employee of HCAD as an interpreter, a property owner or agent may experience longer than usual wait times before their hearing is called.

Interpreters shall faithfully translate from the required language to English and back. Interpreters shall not engage in conversation with the person requiring an interpreter. Faithfull translation of the hearing is the **ONLY** communication allowed. All interpreters shall be sworn in by the ARB.

Use of Audio and Video Recording – Usage by a property owner or their designee of videotaping, video recording, or photographic equipment to record their own hearing is permissible, as is usage of an audio recording device, as long as it is unobtrusive and does not interfere or disrupt the hearing. All video and audio recording equipment must be placed in the back of the room behind the ARB panel.

1. Disruptive Conduct – The panel chair may direct the removal of any person who engages in any disruptive behavior or interferes in the conduct of the hearing.

VII. Evidence and Burden of Proof

1. Any party may submit evidence in documentary form by submitting an original copy of the document. A copy of documentary evidence may be admitted where it is determined that the original document is not readily available. For convenience, the panel chair may permit a property owner to substitute a copy of a document for the original. It is the property owner's responsibility to provide a suitable copy for this purpose. The appraisal district may provide evidence in electronic form if the evidence is automatically included in the official electronic record of the hearing; the panel chair may request certain information to be printed on an exception basis. Copies printed for administrative convenience do not become part of the record unless officially admitted as evidence by the panel chair.
2. A property owner or agent is permitted to present evidence in an electronic format during the hearing; however, they must also provide a copy of that same evidence (prior to the protest hearing or immediately after the protest hearing begins). The property owner or agent's evidence may be produced either in print or in electronic format so that the evidence may be retained by the ARB. If the evidence is produced in electronic format, it must be given to the ARB on a compact disk (CD) or a USB flash drive (ie thumb or jump drive, USB or memory stick). All data must be in PDF format. All CD's, USB flash drives, thumb or jump drives must be identified with account number and docket information. (Please note that CD's, USB flash drives, thumb or jump drives will not be returned, but become the property of the ARB.) The ARB cannot accept and will not accept any copies of electronic evidence by email during a protest hearing nor will such evidence be downloaded to a computer from any device by an HCAD appraiser before or during a protest hearing. Should a property owner or agent fail to provide copies of their electronic presentation of evidence either in documentary or electronic format as described above, the ARB panel shall receive and review all evidence presented and thereafter determine its weight during deliberation.
3. Where the protest involves unequal appraisal of the property or the determination of the market value of the property, the appraisal district has the burden of establishing the value of the property as required by Texas Tax Code, Sec. 41.43. If the appraisal district fails to meet that standard, the protest shall be determined in favor of the property owner and the panel shall determine the equity value or market value.
4. The equity value or market value determined by the panel may be different from the property owner's opinion of value.
5. To have a protest considered after the delinquency date, a property owner or designated representative must submit documentation proving that the undisputed property tax was paid to all taxing jurisdictions before the delinquency date. Acceptable documents consist of a sworn affidavit on a form approved by the ARB; official property tax receipts, financial statements, or cancelled checks indicating payment was paid prior to delinquency.

6. Should a property owner assert that taxes were not timely paid due to financial inability, and demonstrate such inability to the satisfaction of the ARB by executing an Affidavit of Inability to Pay Taxes and by completing a financial disclosure statement, the hearing should proceed with regard to a determination of the issue(s) protested.
7. The standard for “substantial evidence” means evidence that a reasonable mind would accept as adequate to support a conclusion and requires more than a mere scintilla (hint or trace) but less than that needed to sustain a decision by a preponderance of the evidence.
8. The standard for “preponderance of the evidence” is that of reasonableness and is defined as the greater weight and degree of the credible testimony or evidence introduced before the panel and admitted into evidence.
9. The standard for “clear and convincing evidence” means the panel must be persuaded by the evidence that it is highly probable that the claim or affirmative defense asserted is true.
10. Unless otherwise provided by a specific statute, the appraisal district has the burden of proof in value protest hearings, while the property owner has the burden of proof in all other matters.

VIII. Subpoena

1. If reasonably necessary in the course of a protest, the ARB may issue a subpoena for witnesses or for books, records, or other documents of the property owner or appraisal district that relate to the protest. The ARB may issue a subpoena on its own motion or upon the request of a party. The ARB may not issue a subpoena unless it determines that there is good cause for the subpoena.
2. A party may request a subpoena at any time after the date the protest is filed. Requests shall be in writing and must describe with specificity the names and addresses of witnesses to be subpoenaed and the description of documents to be subpoenaed. If a party requests a subpoena during the hearing on a protest, the panel may recess the hearing to allow a hearing to determine whether good cause exists for the issuance of the subpoena.
3. To issue a subpoena, a panel of the ARB shall hold a hearing to determine if there is good cause for the issuance of a subpoena. Before a good cause hearing is scheduled, written notice of the date, time and place must be delivered to the property owner. The notice must have been delivered not later than the 5th day before the date of the good cause hearing. The good cause notice must also state the following:
 - (a) that the party being subpoenaed will be allowed to testify at the good cause hearing; and
 - (b) failure to attend the good cause hearing may result in the issuance of the subpoena;
4. If a subpoena is issued, its return date shall be not more than forty-five (45) or less than five (5) days from the date of its issuance.
5. A property owner who requests a subpoena must deposit with the ARB a sum necessary to pay the costs of service and compensation of the person to whom the subpoena is directed.
6. Upon written request submitted at the good cause hearing by an individual who is not a party to the proceeding, but to whom a subpoena is directed, and who complies with a subpoena, the ARB may provide for the following compensation:

- (a) the reasonable costs of producing any documents subpoenaed as approved by the ARB;
- (b) mileage is equal to the current mileage allowance published by the Texas Comptroller of Public Accounts for travel reimbursement; and
- (c) a fee of \$10.00 per day for each whole or partial day that the individual is necessarily present at the proceedings.

IX. Hearing Docket

The ARB uses a docket system to coordinate and track formal hearings. These hearings generally involve accounts in which the formal hearing date differs from the settlement / informal meeting date scheduled with the appraisal district's staff.

Protest hearings and hearings on correction motions shall be scheduled for panel hearings in one of the following ways:

- (a) by regular docket that is consistent with the scheduling notices required to be sent under Texas Tax Code, Sec. 41.46;
- (b) by written consent of all parties after the initial hearing is scheduled; or
- (c) by written consent after a waiver of the scheduling notice is filed with the ARB.

The docket shall consist of a list of property accounts ordered by property type (center code) in descending market value that includes the account number under protest, property owner's name, scheduled hearing date, and scheduled hearing time. Except in extraordinary circumstances, hearings are to be conducted in the order listed.

Dockets are normally available on the Internet on the day after they are scheduled either manually or programmatically by ARB or their support staff.

Dockets are created for the convenience of the ARB and may be changed by the ARB support staff as necessary for hearing efficiency. The ARB support staff will, to the extent resources are available, make changes to dockets to consolidate matters or correct errors if the request for the change is made no later than the end of business on the day following the day the docket is made available.

If a docket includes matters recessed from the preceding day, those matters should normally be given priority. If a panel has more than one docket for a day, the panel chair should order consideration of cases in descending value order unless the panel chair concludes that a different order would result in more prompt disposition of the cases.

Multiple panels may be scheduled to conduct hearings in the manner prescribed by Texas Tax Code, Sec. 41.45. This includes the ability to have more than one panel conduct hearings for accounts represented by the same consultant or firm. Consultants or firms that have multiple dockets of accounts scheduled on a day are expected to have adequate staff to represent those accounts in multiple panels. If sufficient staff for the firm or consultant is not available to conduct hearings as scheduled, hearings shall nonetheless proceed in the manner established by these rules.

If a property owner or agent registers as being present but then fails to attend the hearing or fails to return after a recess or break, ARB support staff shall call the account or docket three times from the check-in desk. If the owner or agent does not respond within ten minutes of the first call, the ARB support staff shall inform the panel accordingly and the panel is to call the hearing to order, hear the evidence and make a final recommendation based upon the evidence and argument presented. If a property owner or agent leaves a hearing while in progress, the hearing will proceed as if the property owner or agent were still attending the hearing. The ARB panel will hear any remaining testimony and base their decision on the evidence presented. If the property owner or consultant leaves the ARB protest hearings early (without the consent of the panel chair) and protests remain on that particular docket, the panel chair will conduct all remaining protest hearings as if the property owner or consultant were present. Once an ARB panel begins a noticed docket, that panel will complete that docket or work all the account protests possible until the end of the day.

If a hearing is not reached on the date and time scheduled as indicated in the docket, the panel chair shall recess the hearing until the next business day unless otherwise agreed to by all parties. ARB support staff will enter recesses into the records based on notations made on the docket by the panel chair, and shall provide a receipt indicating the reschedule to the property owner or agent. It is the responsibility of the property owner or representative to report to the front counter at the end of the day to receive, for their records, a printed copy of the new scheduled dates for any recessed accounts. The ARB will not mail a new notice of hearing for hearings rescheduled in this manner.

X. Recording and Scheduling of Hearings

Pursuant to Sec. 6.43 of the Texas Tax Code, ARB support staff will enter each protest and correction motion into the ARB's records and schedule the hearing on the matter. Staff will also enter the determination on each matter into the records and deliver the appropriate notices and orders on behalf of the ARB.

XI. Rescheduling and Postponement of Hearings

1. For purposes of this section "reschedule" means to change a scheduled hearing date to an earlier date and "postpone" means to change a scheduled hearing date to a later date.
2. Completion of the ARB's responsibility to determine substantially all protests before approval of the appraisal records is of paramount importance. For this reason, postponement of a scheduled hearing should only be permitted where the postponement is required by law or where the postponement will not materially affect timely completion of the ARB's responsibilities. If a scheduled hearing date is inconvenient for the appraisal district or for a property owner or their designated representative, rescheduling of the hearing to an earlier date is strongly encouraged. A member of the ARB support staff designated by the assistant chief appraiser may consent to postpone or reschedule the hearing in a manner consistent with these policies. If the ARB support staff member determines that a postponement or reschedule should not be granted, he or she shall refer the matter to the ARB executive office.
3. A request to postpone a hearing must be made before the hearing. A request to postpone made during the hearing shall be considered a request to recess and shall be ruled on by the panel chair. A request to postpone made after the conclusion of a hearing is considered a request to set aside a hearing result or to set aside a dismissal and shall be governed by the applicable provisions of these rules and the Texas Tax Code.
4. Rescheduling of a hearing or postponement to a later date is required in the following instances:

- (a) A property owner who has not designated an agent pursuant to Texas Tax Code, Sec. 1.111 is entitled to one postponement to a later date without showing cause;
 - (b) A property owner or the owner's designated agent is entitled to one or more postponements if the owner or the owner's agent establishes good cause for the postponement;
 - (c) The chief appraiser or his designee consents to the postponement in writing;
 - (d) The property owner establishes that the appraisal district failed to respond to a timely request for access to the district's evidence and the property owner needs more time to respond;
 - (e) The property owner or designee provides a scheduling notice for the same date and time issued by another appraisal district and bearing an earlier postmark or electronic receipt date; or
 - (f) A property owner or agent, whose protest before the ARB did not begin within two hours of its scheduled time, is entitled to reschedule their hearing upon request.
5. If a property owner or an agent files a request to reschedule a hearing for "good cause" under section 41.45 of the Texas Tax Code, the ARB shall respond to the request within seven days of the submission of the request.

If a postponement is granted under (a) or (b) above, the postponement shall normally be for no less than five or more than 30 days unless the property owner and the district agree otherwise. If the parties cannot agree on a postponement date, the ARB chairperson or chairperson's representative may grant a postponement to a particular date.

To ensure timely consideration, a request by a property owner's designated agent under subsection (b) must be made in writing and must be received by the ARB at least three business days before the scheduled date and time of the hearing. If a property owner or designated agent files a request for a postponement of a hearing based upon "good cause" within three business days and does not receive a response from the ARB that the request is granted or denied, the hearing will proceed as scheduled. For purposes of subsection (b), "good cause" means a reason that includes an error or mistake that was not intentional or the result of conscious indifference and will not cause undue delay or other injury to the ARB. Undue delay or other injury shall be determined by the ARB chairperson or chairperson's representative on a case by case basis, taking into consideration the ARB's statutory duties, the date of the request in relation to the approval of the appraisal roll, the aggregate value of the account(s), the number of accounts, and other relevant factors.

XII. Dismissal due to non-appearance by property owner or owner's designated consultant; withdrawal

- 1. A property owner must appear for the hearing in person, by telephone, by properly designated agent, or by affidavit. The owner or the owner's agent shall register appearance as provided by Section III of these rules. If the owner or owner's agent has not registered by the time stated in Section III, the account or accounts scheduled for that person are eligible to be dismissed for failure to appear. ARB support staff shall allow a hearing to go forward for a property owner who is not represented by a consultant if the owner appears within one hour of the time stated in Section III and states cause for the delay.

2. An account under protest may be dismissed for failure of the property owner or designated representative to appear, provided that an affidavit meeting the requirements of Texas Tax Code Sec. 41.45(i) is not in the ARB's records at the time the account protest is called to be heard. If an affidavit exists, a hearing shall be held on the basis of the evidence provided in the affidavit.
3. Except as provided by Section XI 4, if an account is eligible to be dismissed for failure to appear and no affidavit meeting the requirements of Texas Tax Code Sec. 41.45(i) is on record, the account may not be heard and will be submitted to the full board for dismissal at the next meeting of the ARB.
4. At any time prior to approval of a dismissal order for an account eligible for dismissal for failure to appear, the chairperson, the secretary, or the chairperson's designee may designate the account as not eligible for dismissal and direct that it be scheduled for a hearing if:
 - a. A property owner or the property owner's agent files, not later than the fourth day after the date the hearing occurred, a written statement with the ARB showing good cause for the failure to appear and requesting a new hearing; or
 - b. A property owner or the property owner's agent had timely filed a request to postpone the hearing and good cause is found to exist for the postponement.
5. A protest can only be withdrawn from consideration by the ARB if the ARB support staff receives notification of the withdrawal before the protest hearing is scheduled, or if approved by the chairperson or his or her designee. If the protest or motion is not withdrawn and the agent or property owner fails to appear at the scheduled hearing the protest or motion shall be dismissed for failure to appear as provided by these rules.

XIII. Recess

Because of the time constraints on the hearing process, once a hearing commences, the panel chair should not recess the hearing for more than five minutes except in extraordinary circumstances. A longer recess may be granted to allow a good cause hearing for a subpoena, inspection of the property, consultation with legal counsel about a pending legal question, or for due process reasons.

XIV. Taxing Unit Challenges

1. The ARB will conduct all hearings on challenges to the appraisal records by taxing units. The ARB will follow the hearing procedures described herein except as expressly noted.
2. The challenge must be filed with the chairperson or secretary and must include:
 - (a) the name and address of its presiding officer, and
 - (b) an explanation of the grounds for the challenge.
3. The challenge petition must be signed by the presiding officer or secretary of the governing body or by a person expressly authorized by the governing body to file challenges. If someone signs a challenge other than the presiding officer or secretary of the taxing unit's governing body, then the person filing the challenge must attach a copy of the resolution adopted by the governing body granting such authority. If a challenge is filed without the authority of the taxing unit's governing body, then the person filing the challenge must present proof to the executive office that the

governing body has expressly authorized or ratified the filing of the specific challenge. This proof must be submitted ten (10) days before the scheduled hearing.

4. Within seven (7) days of the filing of a challenge, the appraisal district must provide to the ARB, the name and address of the presiding officer of the governing body for each other taxing unit affected by the challenge.
5. The chairperson or secretary will send hearing notices to the presiding officers of all affected taxing units and to the chief appraiser no later than the 10th day before the scheduled hearing date. Notices shall be sent by certified mail.
6. If a taxing unit files multiple challenges, the ARB may consolidate the challenges into one hearing and render a single determination.
7. If two or more challenges involve the same property or legal issue, hearings for each challenge may be consolidated. For multiple challenges by a taxing unit, the ARB may issue one order determining all challenges filed by a taxing unit.
8. Documents to be offered as evidence must be submitted to the chairperson or secretary no later than 10 days after a challenge has been filed. In the case of lengthy documents, the taxing unit should submit one full-length copy along with an executive summary of the document's content.
9. Postponement of hearings shall be limited in number and duration.
10. A taxing unit initiating a challenge may withdraw its challenge prior to the ARB's final determination.
11. The hearing on the challenge is to occur before a panel of three or more members, as provided by Texas Tax Code, Sec. 41.45 (d). The procedures followed will correspond with the procedures set forth in section II, subject to the discretion of the presiding chair.
12. The ARB may dismiss a challenge if the initiating taxing unit fails to appear at the scheduled hearing. If the ARB dismisses a challenge for want of jurisdiction, the chairperson will so notify the presiding officer of the taxing unit.

XV. Evidentiary Rules and Documentation Standards

The goal of the ARB is to determine questions of value or other issues protested based on full, accurate, and complete disclosure of all pertinent facts affecting the appraisal of each property. To assure that each property owner is treated fairly in the hearing process, the ARB adopted the following rules and standards of documentation to be followed by all parties bringing protests before the board.

1. Persons offering evidence must sign an affirmation form prior to the onset of the formal hearing. This form attests to the presenter's authority to represent the owner and affirm that all evidence submitted will be true and correct.
2. People personally appearing at formal hearings will be sworn in by the ARB panel chair and testify under oath. The board will consider the sworn testimony of the owner and any witness to be a true and complete disclosure of all the facts that could be reasonably expected to have a bearing on the hearing. Thus, all persons presenting protest before the board will be expected to be fully

knowledgeable of all relevant facts. Individuals appearing by telephone conference call must file their evidence supported by affidavit prior to the start of the hearing.

3. If the presenter is unwilling, unprepared or otherwise fails to submit documentation requested by the panel chair, the ARB reserves the right to consider the subpoena of the necessary documentation before a final determination can be rendered.
4. Copies of all information submitted by owners or agents pertinent to their formal hearing must be retained by the ARB for its records. This specifically includes maps, photographs, the complete signed and dated text of all appraisals performed by others, rent rolls, contracts of sale, charts, diagrams, surveys, closing statements, plans and drawings, and similar information. In the case of business personal property, the following types of information must be retained: copies of books and records, financial statements, IRS returns, CPA statements, independent appraisals, vehicle titles, and similar information.
5. All affidavits presented to the ARB, including those offered under Texas Tax Code 41.45(b) must be original documents properly sworn to before a notary public.
6. Information to be offered as evidence must be copied in advance and made at the presenter's expense. Four copies are required at formal hearings (three for the ARB panel and one for the adverse party). In the case of lengthy documents, one master copy can be presented along with four copies of an executive summary detailing the relevant content of the document. Prior to the protest hearing or immediately after the protest hearing begins, the property owner or agent's evidence must be produced either in print or in electronic format so that the evidence may be retained by the ARB. If the evidence is produced in electronic format, it must be given to the ARB on a compact disk (CD) or a USB flash drive (ie thumb or jump drive, USB or memory stick). All data must be presented in PDF format. All CD's, USB flash drives, thumb or jump drives must be identified with account number and docket information. (Please note that CD's, USB flash drives, thumb or jump drives will not be returned, but become the property of the ARB.) The ARB cannot accept and will not accept any copies of electronic evidence by email during a protest hearing nor will such evidence be downloaded to a computer from any device by an HCAD appraiser before or during a protest hearing.
7. If third party evidence is to be offered, the document(s) must contain a statement of authenticity or be accompanied by an original business record's affidavit.
 - (a) If brokers or management companies are employed to lease or manage a property, they will execute certified statements as to current and historical occupancy, market rental rates, and actual effective rental rates. Effective market rental rates will also be included. All rental rates should be substantiated by examples of actual executed leases.
 - (b) All sales or current and prior offerings of the subject property will be fully documented. Such documentation should include a signed copy of the listing agreement, a complete copy of the signed sales contract and closing statement.
 - (c) Comparable sales must be verified and provide detailed information concerning location, year of construction, land area, building area, extent of remodeling (if applicable), contract date, sales price, and financing terms.
 - (d) Third party certification of costs of repairs or cost of construction should be submitted, if applicable. If an architect is involved, the construction costs expended as of January 1 of

each year in question will be documented by submitting a properly executed and sealed copy of the AIA "Application and Certificate for Payment" document complete with detail or equivalent. If a contractor is involved, a copy of the signed contract, draw schedule with amendments, if applicable, and all change orders must be submitted.

8. The following outlines the **Standards of Documentation** for hearings on real property, business personal property, exemptions and special appraisals.

Real Property

The items listed below are examples of the types of documentary evidence that should be presented in real property value hearings:

Sale of Subject

- Closing Statement - signed and dated; including a legal description of the property being transferred. A copy of sales contract is required.
- Appraisal - If an appraisal was made for any purpose, a complete copy of the appraisal report must be provided

Income Approach

- Previous year rent roll, vacancy rate and income statement (typically three years of data should be provided)
- Documentation of lease offering rates and lease concessions from leasing agents as of January 1 of the subject tax year
- Detailed income and expense data may be required

Cost Approach

- Construction contract(s) - Signed and dated, including a detailed description of the work to be performed
- Certified A.I.A. documents, with detail
- General contract with all change orders
- Subcontracts
- Documentation must reflect all hard and soft costs
- IRS records
- Other financial records may be required

Market Approach

- Independent fee appraisals - One complete copy of the appraisal report and four copies of the executive summary. Confirmed sales of comparable properties with the following attachments and information:

- | | |
|-------------------------|--|
| 1. Photograph | 8. Grantee |
| 2. Property description | 9. Date of contract |
| 3. Location | 10. Sales price |
| 4. Land area | 11. Financing terms |
| 5. Building area | 12. Basis of sale (actual or pro forma income) |
| 6. Year built | 13. Source |
| 7. Grantor | |

Business Personal Property

The items listed below are examples of the types of documentary evidence, which should be presented in business personal property value hearings:

- CPA statements
- Certified balance sheets
- IRS returns
- Actual books and records showing acquisitions by year of purchase
- Receipts, invoices or leases pertaining to the property in question
- Copy of Rendition statements

A statement of general accounting policies and procedures, especially concerning the capitalization policy and the basis of depreciation, should also be provided. The statement will also address the inventory valuation methods and whether physical inventory equals book inventory.

Exemptions and Special Appraisal

Organizations claiming total exemption should submit:

- Evidence that clearly reflects the use of the property on January 1 of the subject tax year,
- Certified copies of their charter and by-laws, and
- Evidence that clearly indicates that the necessary statutory requirements to claim an exemption is met.

Special Appraisal

Property owners seeking to prove eligibility for agricultural, timber valuation, or wildlife management valuations should provide:

- Evidence that clearly reflects the use of the property on January 1 of the subject tax year.
- Copies of leases,
- Timber and or wildlife management agreements,
- Records reflecting the sale of livestock, crops, or timber,
- Evidence of improvements to the land, and
- Evidence of qualifying agricultural, wildlife management or timber use.