

LIMITED BINDING ARBITRATION

Tax Code Section 41A.015 gives property owners meeting certain criteria the option to request limited binding arbitration (LBA) to compel the appraisal review board (ARB) or the chief appraiser, as appropriate, to:

- rescind procedural rules adopted by the ARB that are not in compliance with the model hearing procedures prepared by the comptroller;
- schedule a hearing on a protest as required by law;
- deliver a copy of the Taxpayer Remedies publication, the ARB hearing procedures or information on a property owner's right to request evidence the chief appraiser will introduce at the ARB hearing at least 14 days before the scheduled hearing;
- allow the property owner to offer evidence, examine or cross-examine witnesses or other parties, and present arguments;
- set a hearing for a time and date certain and postpone a hearing that does not begin within two hours of the scheduled time;
- schedule hearings on protests concerning multiple properties identified in the same notice of protest on the same day at the request of the property owner or the property owner's designated agent; or
- refrain from using or offering as evidence information requested by the property owner that was not delivered to the property owner at least 14 days before the hearing.

The Comptroller's office is responsible for maintaining the Arbitrator Registry, processing requests, remitting payment to the arbitrator when appropriate and refunding any portion of the property owner's deposit as applicable, but is prohibited from giving advice or direction on a matter relating to a pending arbitration.

Property owners are encouraged to read and be familiar with Tax Code Chapter 41A and Comptroller Rules relating to Limited Binding Arbitration.

Qualification Prior to Filing

A property owner may not request Limited Binding Arbitration (LBA) unless:

- The property owner has filed a notice of protest on the property for the tax year.
- The property owner has delivered written notice to the chairman of the ARB, the chief appraiser, and the taxpayer liaison officer for the applicable appraisal district of the procedural requirement with which the property owner alleges the ARB or chief appraiser failed to comply on or before the **fifth business day** after the date the ARB or chief appraiser was required to comply with the requirement. This notice must be sent by certified mail, return receipt requested.
- The chairman of the ARB or chief appraiser, as applicable, fails to deliver to the property owner on or before the **10th day** after the date the notice is delivered a written statement confirming that the ARB or chief appraiser will comply with the requirement or cure a failure to comply with the requirement.

Filing Process

- Not earlier than 11 days or later than 30 days after the date the property owner delivers the required notice described above, a property owner must file Form AP-241, Request for Limited Binding Arbitration together with the required deposit with the Comptroller's office at the following address:

Texas Comptroller of Public Accounts
Attention: Arbitration
111 E. 17th Street, 4th Floor
Austin, Texas 78774

- A property owner may file a single LBA request that covers more than one property, more than one protest hearing or more than one procedural violation. The deposit amount is computed based on the single property that would have required the largest deposit if filed separately.

Arbitrator Appointment and Hearing

- Once the arbitration has been processed, the Comptroller's office will appoint an arbitrator to hear the dispute. Only arbitrators who are licensed attorneys may be appointed to LBA cases.
- The arbitrator is responsible for working with the parties to set the date, time, and location of the hearing.
- More information about arbitrator qualification, the assignment process and the scheduling of hearings can be found on the Arbitrator Registry and Duties webpage.
- At the conclusion of the hearing the arbitrator must determine if the ARB or chief appraiser failed to comply with one or more of the procedural requirements indicated in the request. If the arbitrator determines the ARB or chief appraiser failed to comply, the ARB or chief appraiser must comply with the requirement or, if a hearing has already been held and determined on the protest, the ARB must rescind the ARB order and hold a new hearing that complies with the procedural requirement.
- If an arbitrator determines the ARB or chief appraiser failed to comply with one or more procedural requirements indicated in the LBA request, the property owner's deposit will be refunded, minus a \$50 administrative fee retained by the Comptroller's office and the appraisal district will pay the arbitrator's fee as indicated on the determination form. If an arbitrator determines the ARB or chief appraiser complied with the procedural requirements indicated in the LBA request, the property owner's deposit will be used to pay the arbitrator's fee as indicated on the determination form.

Dismissal

Arbitrators are required by law to dismiss all LBA requests they determine do not meet the requirements of the law. In the event that a case is dismissed, other than when there are delinquent taxes on the property, the arbitrator may charge up to the total allowable fee and the property owner may not receive a refund of their deposit. LBA requests are required to be dismissed for the following reasons:

- The owner or agent did not file a notice of protest under Chapter 41.
- Taxes on the subject property are delinquent for any prior year or were not paid before the delinquency date.
- The owner or agent has not delivered written notice to the ARB chair, the chief appraiser and the taxpayer liaison officer as required by Tax Code Section 41A.015(b)(1).
- The owner filed the LBA request earlier than the 11th day or later than the 30th day from the date notice of the alleged violation was delivered to the ARB chair, the chief appraiser, and the taxpayer liaison.
- The ARB or chief appraiser delivered a written statement to the owner by the deadline pursuant to Tax Code Section 41A.015(b)(2).
- Litigation was filed before the LBA request was submitted that involves the same issues for the same properties in the same tax year as addressed in the LBA request.
- The request does not involve a matter described in Tax Code Section 41A.015(a)(1)-(7).



Property Owner Request for Limited Binding Arbitration (LBA)

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

**File LBA requests online at
www.texas.gov/propertytaxarbitration**

- Pay deposits online with credit card or electronic check
- Faster processing, transparency and email status notifications



**Are you an agent or
working with an agent?**

By rule, all agents must file LBA requests online at www.texas.gov/propertytaxarbitration

INSTRUCTIONS

Do not complete and mail this form without first carefully reading these instructions and Tax Code Chapter 41A and Comptroller Rules relating to LBA.

Purpose of form: Property owners may use this form to file a request for LBA to compel an appraisal review board (ARB) or chief appraiser, as appropriate, to:

- (1) comply with the hearing procedures adopted by the ARB under Tax Code Section 41.01(c);
- (2) rescind procedural rules adopted by the ARB that are not in compliance with the model hearing procedures prepared by the Comptroller under Tax Code Section 5.103;
- (3) schedule a hearing on a protest as required by Tax Code Section 41.45;
- (4) deliver information to the property owner as required by Tax Code Section 41.461;
- (5) allow the property owner to offer evidence, examine or cross-examine witnesses or other parties, and present arguments as required by Tax Code Section 41.66(b);
- (6) set a hearing for a time and date certain and postpone a hearing that does not begin within two hours of the scheduled time as required by Tax Code Section 41.66(i);
- (7) schedule hearings on protests concerning multiple properties identified in the same notice of protest on the same day at the request of the property owner or the property owner's designated agent as required by Tax Code Section 41.66(j); or
- (8) refrain from using or offering as evidence information requested by the property owner under Section 41.461 that was not delivered to the property owner at least 14 days before the hearing as required by Tax Code Section 41.67(d).

When and what to file: If working with an agent, property owners must file online at www.texas.gov/propertytaxarbitration. A property owner who has filed a notice of protest must file, either online or by mail, an LBA request with the **Comptroller's office** not earlier than the 11th day or later than the 30th day after the date the property owner delivers written notice to the local ARB chair, chief appraiser and taxpayer liaison officer of the alleged procedural requirement with which the ARB or chief appraiser failed to comply. The written notice must be delivered to the chairman of the ARB, the chief appraiser and the taxpayer liaison officer for the appraisal district by certified mail, return receipt requested, on or before the fifth business day after the date the ARB or chief appraiser was required to comply with the requirement.

You must type or print in black ink so the information can be scanned into comptroller systems. Please submit:

- (1) a completed LBA request — using pages 1 and 2 of this form;
- (2) a check or money order payable to the Texas Comptroller of Public Accounts for the deposit in the required amount shown below and
- (3) a copy of the Notice of Appraised Value for each property subject to the LBA request.

Required Deposit for LBA: Each LBA request must include a deposit. The LBA deposit may only be used to pay the arbitrator's fee and the Comptroller's \$50 administrative fee. The deposit, minus the Comptroller's fee, will be refunded to the property owner or designated refund recipient if the arbitrator determines that an ARB or chief appraiser failed to comply with a procedural requirement as listed in Tax Code Section 41A.015(a)(1)-(7).

Any refund to a property owner or designated refund recipient is subject to the provisions of Government Code Section 403.055 and related statutory provisions and rules. To receive deposit refunds, the federal Social Security Number (SSN) or federal Individual Taxpayer Identification Number (ITIN) for an individual payee or a Federal Employer Identification Number (FEIN) for a business payee authorized to receive refunds is required.

Type of Property	A single property with a residence homestead exemption valued at \$500,000 or less	Any other property, including a residence homestead valued at more than \$500,000
Required Deposit	\$450	\$550

Arbitrating Multiple Properties, Multiple Protest Hearings or Multiple Procedural Requirement Violations: A single property owner may arbitrate more than one property, more than one protest hearing or more than one procedural requirement violation for a single deposit if notice was provided to the ARB, chief appraiser and taxpayer liaison officer as required by Tax Code Section 41A.015(b).

Multiple properties may only be filed together if they have the same owner. If requesting to arbitrate multiple properties, protest hearings or procedural requirement violations, select yes for question 14 and attach a separate page 2 of Form AP-241 for each property for which you request LBA. Include a copy of the Notice of Appraised Value for each property. Indicate which procedural requirements the ARB or chief appraiser failed to comply with for each property or protest. If filing for multiple properties, only one deposit is required and is equal to the highest deposit that would result if each property were filed in a separate request.

Owner Responsibilities: Expenses incurred by the property owner in preparing for and attending the arbitration are the owner's responsibility. A property owner who fails to strictly comply with legal requirements waives the property owner's right to request LBA. Owners should retain a copy of this request form and the deposit for your records.

Arbitrator Responsibilities: An arbitrator must dismiss any pending LBA proceeding if the property owner's rights are waived. The deposit may not be refunded for an LBA dismissed under this circumstance.

The property taxes on the subject property must not be delinquent. Taxes are not delinquent if all amounts due for prior tax years have been paid and the undisputed tax amount for the tax year at issue was paid before the statutory delinquency date or if the tax collection was deferred under Tax Code Section 33.06 or 33.065. If taxes are delinquent, the LBA will be dismissed with prejudice and the property owner's deposit will be refunded less the Comptroller's \$50 administrative fee.

Where to file: File online or mail this form, the required deposit and Notice(s) of Appraised Value for each property to the Comptroller's office at:

**Comptroller of Public Accounts
Attn: Limited Binding Arbitration
P.O. Box 13528
Austin, TX 78711**

For assistance: Find additional information online at www.texas.gov/propertytaxarbitration. Contact the Texas Comptroller's Arbitration team at 800-252-9121 or ptad.arbitration@cpa.texas.gov.

Laws: Tax Code Chapter 41A - <https://statutes.capitol.texas.gov/Docs/TX/htm/TX.41A.htm>

Comptroller Rules related to LBA: [https://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=5&ti=34&pt=1&ch=9&sch=K&rl=Y](https://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=5&ti=34&pt=1&ch=9&sch=K&rl=Y)

Property Owner Request for Limited Binding Arbitration (LBA)

• Type or print in black ink.



■ T-CODE 51040

Make a copy of this page for each property you are requesting LBA and attach a copy of each Notice of Appraised Value. All fields are REQUIRED unless indicated as optional. Any missing information may result in processing delays. Completely darken each box to indicate your selections.

PROPERTY INFORMATION (as shown on the Notice of Appraised Value)

14. ■ _____ 15. ■ _____
 Property Account Number Property Address/Legal Description
16. ■ Type of property being appealed (select one):
 Residential Land Commercial Minerals
 Agricultural Business personal property
17. ■ Does the Notice of Appraised Value or appraisal district records indicate this property has a Residence Homestead exemption? Yes No
18. ■ Was a notice of protest filed with the appraisal district for this property? Yes No (STOP, not eligible for LBA)

PROCEDURAL REQUIREMENT VIOLATIONS

19. ■ Select all that apply for this property:
- Comply with the hearing procedures adopted by the ARB under Tax Code Section 41.01(c)
 - Rescind procedural rules adopted by the ARB that are not in compliance with the model hearing procedures prepared by the Comptroller under Tax Code Section 5.103
 - Schedule a hearing on a protest as required by Tax Code Section 41.45
 - Deliver information to the property owner as required by Tax Code Section 41.461
 - Allow the property owner to offer evidence, examine or cross-examine witnesses or other parties, and present arguments as required by Tax Code Section 41.66(b)
 - Set a hearing for a time and date certain and postpone a hearing that does not begin within two hours of the scheduled time as required by Tax Code Section 41.66(i)
 - Schedule hearings on protests concerning multiple properties identified in the same notice of protest on the same day at the request of the property owner or the property owner's designated agent as required by Tax Code Section 41.66(j)
 - Refrain from using or offering as evidence information requested by the property owner under Section 41.461 that was not delivered to the property owner at least 14 days before the hearing as required by Tax Code Section 41.67(d)

20. ■ Describe the actions taken or not taken by the ARB or chief appraiser with regards to the procedural requirement violations identified above.

CERTIFICATIONS

21. ■ I certify that I am the property owner or individual authorized to file this request for LBA.
- I certify written notice was delivered to the chairman of the ARB, the chief appraiser and the taxpayer liaison officer for the appraisal district by certified mail, return receipt requested, of the procedural requirement(s) with which the ARB or chief appraiser failed to comply on or before the fifth business day after the date the ARB or chief appraiser was required to comply with the requirement.
- I certify this request was filed with the Comptroller's office not earlier than the 11th day or later than the 30th day after the date the written notice was delivered to the ARB chair, chief appraiser and taxpayer liaison officer, of the alleged procedural requirement(s) with which the ARB or chief appraiser failed to comply.
- I understand that I must pay a deposit fee and have attached one CHECK or MONEY ORDER payable to the Texas Comptroller of Public Accounts for the required deposit amount. I understand I may lose my deposit if I fail to comply with the notice requirements and deadlines certified to in the statements above.
- I understand that if I make a false statement on this form I could be found guilty of a Class A misdemeanor or a state jail felony under Penal Code Section 37.10.

Page 1 and 2 of this form, the Notice of Appraised Value, and the check or money order for the required deposit must be filed with the Comptroller's office. By signing this form, I certify that I am the property owner or individual authorized to file this request for binding arbitration.

sign here ▶

Owner signature _____

Type or print owner name _____

Request Date _____