



## In the News

### Business Loophole on Personal Property Costs Texas Taxpayers

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Tax appraisers need accurate and reliable renditions — lists of taxable personal property used to generate income. Without them, appraisers are operating in the dark.

“Without renditions, we have no way of evaluating the property or what they have,” Cory said. “Legally, we cannot go on the property.”

Many businesses wager that they come out ahead by not rendering. It’s a good gamble. Appraisers likely won’t have the resources to locate a company’s equipment or inventory without its cooperation. If they do find it, they are likely to underestimate its value, Cory said.

That was the case with one Travis County company. In past years, Cory had set a value of \$3 million on the company’s personal taxable property when it did not render. But last year, Cory increased that value to \$20 million to test his estimate. The business protested the new value. Its true value was \$15 million. Appraisers had been underestimating its value by \$12 million.

When businesses fail to render, our schools and city services lose. But individual property owners and businesses that do render also are being shortchanged. Every dollar a business hides from taxation is one a homeowner or other taxpayer has to pay. And if a business is not rendering the value of its property, it is not fully contributing to the tax revenue for schools, fire and police or street repairs and other services provided by local governments. Not rendering is illegal. Unfair. Inequitable. When the Legislature convenes in 2003, it should stop this cheating.



## President’s Message

July, 2002. What a year so far. Seems to have passed exceptionally fast, especially on some of those legal deadlines. We are just a few weeks away from the annual conference and a changing of the guard. Lanette assures this year’s conference will be loaded with excellent presentations and a great opportunity to enjoy some south Texas hospitality. Mark your calendar for September 18 - 20 in San Antonio. This is our 15th year and I hope everyone can attend. With the most recent record rainfalls I can almost guarantee it will be green. Next year is a legislative year and we can always expect someone to introduce a piece of legislation that will impact our profession. Noticeably, is the continuing issue of mandatory renditions. Appears Jim Robinson, Chief Appraiser of Harris County, has moved this issue to the front burner along with penalties and audits. School finance is moving to the front row for everyone. If the legislature really takes on that issue we will see a major impact on local property tax statements. As this year draws to a close, I want each of you to consider the call to assist TAPTP. Committee’s always need help and participation. Our PAC is always in need of monetary contributions so we can insure our interests are protected. Call on me or TAPTP if you have need for assistance.

Allan

