

- SUBJECT:** Extinguishing taxpayer delinquent tax liability following a tax sale
- COMMITTEE:** Ways and Means — committee substitute recommended
- VOTE:** 7 ayes — Craddick, Wolens, Finnell, Heflin, Holzheuser, Horn, Oliveira
0 nays —
4 absent — T. Hunter, Marchant, Place, Romo
- WITNESSES:** For — Ray M. Cornett, Tax Assessor/Collector Association of Texas; Roy C. Powers
Against — Jeanine Cadena, Texas Municipal League
- BACKGROUND:** Article 8, sec. 15 of the Texas Constitution provides that property of a delinquent taxpayer is liable to be seized and sold for the payment of all taxes and penalties due. Chapter 34 of the Tax Code outlines the procedures for tax sales.
- DIGEST:** CSHB 2596 would amend the Tax Code, sections 34.01, relating to the sale of property; and 34.05 relating to the resale of property by a taxing unit, to extinguish a taxpayer's liability for delinquent taxes, penalties, and interest upon the sale of the property at a tax lien sale, regardless of whether the proceeds from the sale are sufficient to satisfy the judgment.

The bill would take effect only if HJR 106, proposing a constitutional amendment to authorize the change, was adopted by the Legislature and approved by the voters.
- NOTES:** The original version also would have required taxing units to elect whether to file suit to foreclose a tax lien or enforce personal liability; under current law, both options are allowed.

HJR 106 by Harris, set for Wednesday's calendar, would amend Art. 8, sec. 15, of the Constitution to extinguish a taxpayer's liability for delinquent taxes on property if the property is sold at a tax sale, regardless of whether the proceeds are enough to satisfy the judgment.