

## **BILL ANALYSIS**

Senate Research Center

H.B. 2220  
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Intergovernmental Relations  
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Engrossed

### **DIGEST**

Currently, a tax collector is prohibited from paying a refund of an erroneous tax payment of more than \$500 without governing body approval. In populous counties, the governing body approval requirement can create an administrative burden. H.B. 2220 allows a tax collector to make a maximum \$2,500 refund without the approval of the governing body.

### **PURPOSE**

As proposed, H.B. 2220 specifies the amount of refund for overpayments or erroneous payments of ad valorem taxes, and clarifies the entity which is responsible for determining the refund.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 31.11(a), Tax Code, to prohibit the collector from making a refund unless the governing body of a taxing unit that collects another unit's taxes determines that the payment was incorrect and if the refund amount exceeds certain dollar amounts. Deletes text regarding \$500.

SECTION 2. Amends Section 31.12(b), Tax Code, to provide that liability for a refund arises when a certain entity determines that the ad valorem tax payment was incorrect, on the date the governing body of the unit approves the refund, rather than determines that the payment was erroneous or excessive.

SECTION 3. Effective date: September 1, 1999.  
Makes application of this Act prospective.

SECTION 4. Emergency clause.