

BILL ANALYSIS

Senate Research Center
82R951 ALL-F

S.B. 432
By: Jackson
Finance
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Section 31.032 (Installment Payments of Taxes on Property in Disaster Area), Tax Code, provides an installment payment option for properties located in a disaster area and further provides for a 12 percent penalty for late payment.

Installment payments are also permitted for individuals 65 years of age or over, as well as disabled taxpayers with late payments incurring a six percent penalty.

Disaster installment payments that are late should also incur this six percent penalty and be made consistent with other installment payment plans.

As proposed, S.B. 432 amends current law relating to the penalty for failure to make a timely installment payment of ad valorem taxes on property in a disaster area.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 31.032(c), Tax Code, to reduce the penalty, if a person fails to make a payment before the applicable date provided by Subsection (b) (relating to paying of property taxes in installments), from 12 percent to six percent and interest as provided by Section 33.01(c) (relating to the interest accrued by delinquent tax).

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2011.