

BILL ANALYSIS

Senate Research Center

H.B. 1913
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Finance
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law requires the governing body of a taxing unit to waive penalties and authorizes the governing body to provide for the waiver of interest on a delinquent tax if an act or omission of an officer, employee, or agent of the taxing unit or the appraisal district in which the taxing unit participates caused or resulted in the taxpayer's failure to pay the tax before delinquency and if the tax is paid within a specified period.

At times, a taxing unit or appraisal district fails to give notice to a current owner or lender of subsequent assessment, which creates a delinquency to the property owner. In addition, when the property owner is not the original taxpayer, the property owner rarely receives notice within the specified period to seek a waiver of penalties and interest and that a new owner often may not receive any notice at all. H.B. 1913 seeks to advance tax equity for new property owners and ensure that taxing authorities receive amounts owed.

H.B. 1913 amends current law relating to the waiver of penalties and interest on certain delinquent ad valorem taxes.

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 33.011, Tax Code, by amending Subsection (d) and adding Subsections (i) and (j), as follows:

(d) Requires that a request for a waiver of penalties and interest under Subsection (a)(1) (relating to requiring the governing body of a taxing unit to waive penalties and authorizing the governing body of the taxing unit to provide for the waiver of interest on a delinquent tax) or (3) (relating to authorizing the governing body of the taxing unit to waive penalties and provide for the waiver of interest on a delinquent tax if the taxpayer submits evidence showing certain taxpayer payment information), (b) (relating to requiring the governing body of the taxing unit, if a tax bill is returned undelivered to the taxing unit by the United States Postal Service, to waive penalties and interest), (h) (relating to requiring the governing body of the taxing unit to waive penalties and interest on a delinquent tax if certain criteria are met), or (j) be made before the 181st day after the delinquency date. Requires that a request for a waiver of penalties and interest under Subsection (i) be made before the 181st day after the date the property owner making the request receives notice of the delinquent tax that satisfies the requirements of Section 33.04(b). Makes nonsubstantive changes.

(i) Authorizes the governing body of the taxing unit to waive penalties and interest on a delinquent tax that relates to a date preceding the date on which the property owner acquired the property if:

(1) the property owner or another person liable for the tax pays the tax not later than the 181st day after the date the property owner receives notice of the delinquent tax that satisfies the requirements of Section 33.04(b); and

(2) the delinquency is the result of taxes imposed on omitted property entered in the appraisal records as provided by Section 25.21 (Omitted Property); erroneously exempted property or appraised value added to the appraisal roll as provided by Section 11.43(i) (relating to requiring the chief appraiser, if the chief appraiser discovers that a certain exemption has been erroneously allowed in any one of the five preceding years, to add the value that was erroneously exempted for each year to the appraisal roll); or property added to the appraisal roll under a different account number or parcel when the property was owned by a prior owner.

(j) Authorizes the governing body of the taxing unit to waive penalties and interest on a delinquent tax if the taxpayer submits evidence sufficient to show that the taxpayer delivered payment for the tax before the delinquency date to the United States Postal Service for delivery by mail, but an act or omission of the postal service resulted in the taxpayer's payment being postmarked after the delinquency date, or a private delivery service for delivery, but an act or omission of the private carrier resulted in the taxpayer's payment being received by the taxing unit after the delinquency date.

SECTION 2. Amends Section 33.04, Tax Code, as follows:

Sec. 33.04. NOTICE OF DELINQUENCY. (a) Creates this subsection from existing text. Requires at least once each year the collector for a taxing unit to deliver a notice of delinquency to each person whose name appears on the current delinquent tax roll.

(b) Requires that the first page of a notice of delinquency, if the delinquency is the result of taxes imposed on property described by Section 33.011(i), include certain information. Sets forth language for the notice.

SECTION 3. Effective date: September 1, 2013.