

## **BILL ANALYSIS**

Senate Research Center  
88R14465 DRS-D

H.B. 4250  
By: Lalani (Miles)  
Local Government  
5/20/2023  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, when a tax sale under the Property Tax Code results in excess proceeds, the clerk of the court issuing the order of sale must send to the former owner a notice stating the amount of those excess proceeds, informing the former owner of their right to claim them, and including a copy or complete text of the applicable state laws. Preparing and sending these notices comes at a cost, which must be incurred by the clerk's office.

H.B. 4250 amends the Tax Code to authorize the clerk of the court issuing the order of sale to deduct from the amount of the excess proceeds from a tax sale under the Property Tax Code the cost of postage for sending to the former owner of the property a notice that states the amount of the excess proceeds, informs the former owner of their rights to claim those excess proceeds under state law, and includes a copy or the complete text of that state law and state law relating to the disposition of excess proceeds.

H.B. 4250 amends current law relating to the right of the clerk of a court to deduct from the amount of the excess proceeds from an ad valorem tax sale of property the cost of postage for sending to the former owner of the property a notice of the owner's right to claim the proceeds.

### **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 34.03, Tax Code, by adding Subsection (d), as follows:

(d) Authorizes the clerk of a court to deduct from the amount of excess proceeds the cost of postage for sending the former owner of the property a notice under Subsection (a)(1) (relating to requiring the clerk of the court to send by certified mail, return receipt requested, a written notice to the former owner of the property, at the former owner's last known address according to the records of the court or any other source reasonably available to the court, certain information if the amount of excess proceeds is more than \$25).

SECTION 2. Effective date: September 1, 2023.