

BILL ANALYSIS

Senate Research Center
78R8700 SMH-D

C.S.S.B. 725
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Intergovernmental Relations
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Committee Report (Substituted)

DIGEST AND PURPOSE

Current Texas law requires a chief appraiser, if the chief appraiser discovers that real property was omitted from an appraisal roll in any one of the five preceding years or personal property was omitted in one of the two preceding years, to appraise the property as of January 1st of each year it was omitted and to enter the property and its value in the appraisal records. Subsequently, a tax assessor-collector is required to calculate the tax for each year and then a taxpayer would have 21 days to pay the back taxes. However, a taxpayer could be faced with a situation where he or she is forced to pay five years of back taxes in 21 days. C.S.S.B. 725 addresses the issue of omitted property by extending the 21-day deadline for payment of 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 31.04, Tax Code, by adding Subsection (a-1) and amending Subsection (e), as follows:

(a-1) Provides that if a tax bill is mailed that includes taxes for one or more preceding tax years because the property was erroneously omitted from the tax roll in those tax years, the delinquency date provided by Section 31.02 is postponed to February 1 of the first year that will provide a period of at least 180 days after the date the tax bill is mailed in which to pay the taxes before they become delinquent.

(e) Makes a conforming and nonsubstantive change.

SECTION 2. Amends Section 33.011(a), Tax Code, to require the governing body of a taxing unit to waive penalties and to authorize it to provide for the waiver of interest on a delinquent tax if the tax is paid not later than the 21st day after, rather than the third anniversary of, the date the taxpayer knows or should know of the delinquency.

SECTION 3. Makes application of Section 31.04, Tax Code, of this Act prospective.

SECTION 4. Effective date: September 1, 2003.