

By: Turner

H.B. No. 2404

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to penalties to defray a taxing unit's costs of collecting  
3 delinquent property taxes.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 33.07(a), Tax Code, is amended to read as  
6 follows:

7 (a) A taxing unit or appraisal district may provide, in the  
8 manner required by law for official action by the body, that taxes  
9 that become delinquent on or after February 1 of a year but not  
10 later than May 1 of that year and that remain delinquent on July 1 of  
11 the year in which they become delinquent incur an additional  
12 penalty to defray costs of collection[~~, if the unit or district or~~  
13 ~~another unit that collects taxes for the unit has contracted with an~~  
14 ~~attorney pursuant to Section 6.30]. The unit or district may apply  
15 all or part of the penalty to the payment of attorney's fees if the  
16 unit or district has contracted with an attorney under Section  
17 6.30. The amount of the penalty may not exceed 20 percent of the  
18 amount of delinquent tax, including unpaid penalties and interest,  
19 when the penalty is incurred [~~the amount of the compensation~~  
20 ~~specified in the contract with the attorney to be paid in connection~~  
21 ~~with the collection of the delinquent taxes].~~~~

22 SECTION 2. This Act takes effect September 1, 2003.