

By: Rodriguez

H.B. No. 89

A BILL TO BE ENTITLED

AN ACT

1
2 relating to requiring a person closing a real estate transaction to
3 assist a purchaser or owner in applying for a residence homestead
4 tax exemption.

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

6 SECTION 1. Subchapter C, Chapter 11, Tax Code, is amended by
7 adding Sections 11.49 and 11.50 to read as follows:

8 Sec. 11.49. ASSISTANCE WITH EXEMPTION APPLICATION. A
9 person who for compensation prepares the closing documentation on a
10 sale, encumbrance, or transfer of a single-family residential
11 structure or a single unit of other residential property shall:

12 (1) provide to the purchaser or, in the case of an
13 encumbrance, the owner of the property a copy of the form used by
14 each appraisal district in which the property is located for
15 applying for exemptions provided under Section 11.13; and

16 (2) disclose to the purchaser or owner, as applicable,
17 the following information:

18 (A) the type of exemptions available under
19 Section 11.13 and instructions on how to file an application for
20 applicable exemptions with each appraisal district in which the
21 property is located;

22 (B) the location, including the mailing and
23 physical address, of each appraisal district in which the property
24 is located; and

1 (C) the period in which the appraisal district
2 must receive the application for the purchaser or owner to qualify
3 for any applicable exemptions under Section 11.13.

4 Sec. 11.50. FEE FOR ASSISTANCE WITH RESIDENCE HOMESTEAD
5 APPLICATION. (a) A person who assists another person by preparing
6 or filing on behalf of the other person an application for an
7 exemption under Section 11.13:

8 (1) may not charge a fee of more than \$25 for that
9 service; and

10 (2) must timely file the application with the chief
11 appraiser for each appraisal district in which the property is
12 located.

13 (b) A fee under Subsection (a) must be paid directly by the
14 person who receives the service. A person providing a service
15 described by Subsection (a) may not accept any part of a refund of
16 taxes on any property in payment for those services.

17 (c) A person who violates this section is liable to the
18 purchaser or owner, as applicable, for:

19 (1) actual damages;

20 (2) \$1,000 in punitive damages; and

21 (3) reasonable court costs and attorney's fees.

22 SECTION 2. Section 11.49, Tax Code, as added by this Act,
23 applies only to a sale, encumbrance, or transfer of real property
24 that occurs on or after the effective date of this Act.

25 SECTION 3. This Act takes effect September 1, 2005.