

By: Escobar

H.B. No. 1608

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the authority of a taxing unit to adopt discounts for  
3 early payment of ad valorem taxes.

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

5 SECTION 1. Section 31.05(a), Tax Code, is amended to read as  
6 follows:

7 (a) The governing body of a taxing unit [~~that collects its~~  
8 ~~own taxes~~] may adopt the discounts provided by Subsection (b) or  
9 Subsection (c) [~~of this section~~], or both, in the manner required by  
10 law for official action by the body. The discounts, if adopted,  
11 apply to taxes for a taxing unit for which the adopting taxing unit  
12 collects taxes if the governing body of the other unit, in the  
13 manner required by law for official action by the body, adopts the  
14 discounts or approves of their application to its taxes by the  
15 collecting unit. If a taxing unit adopts both discounts under  
16 Subsections (b) and (c) [~~of this section~~], the discounts adopted  
17 under Subsection (b) apply unless the [~~unit mails its~~] tax bills for  
18 the unit are mailed after September 30, in which case only the  
19 discounts under Subsection (c) apply.

20 SECTION 2. (a) The change in law made by this Act applies to  
21 the adoption of a discount by a taxing unit beginning with the 2005  
22 tax year, except as provided by Subsection (b) of this section.

23 (b) If a taxing unit's tax bills for the 2005 tax year are  
24 mailed before the effective date of this Act, the change in law made

1 by this Act applies to the adoption of a discount by the taxing unit  
2 beginning with the 2006 tax year, and the law in effect when the tax  
3 bills were mailed applies to the 2005 tax year with respect to that  
4 taxing unit.

5 SECTION 3. This Act takes effect immediately if it receives  
6 a vote of two-thirds of all the members elected to each house, as  
7 provided by Section 39, Article III, Texas Constitution. If this  
8 Act does not receive the vote necessary for immediate effect, this  
9 Act takes effect September 1, 2005.