

BILL ANALYSIS

Senate Research Center

C.S.H.B. 2909
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Intergovernmental Relations
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

On occasion real property is erroneously omitted by an appraisal district from the appraisal or tax roll. This may be due to the failure of the taxing entity to provide the appraisal district with accurate information or the responsibility for the error may lie with the appraisal district; the error may be something as simple as the failure to accurately enter a code that would reflect that the parcel lies within a certain taxing entity.

Irrespective of whether the error lies with the appraisal district or the taxing entity, the burden falls on the property owner to pay large sums of taxes, interest and penalties when the error is discovered. This is unfair because the property owners did not "hide" the real property from taxation. Moreover, in fast growth areas and in areas containing many taxing entities, such as special services districts, many property owners are unaware of all the taxing entities in which their property may lie.

C.S.H.B. 2909 authorizes the governing body of the taxing unit to elect not to impose or collect these taxes, interest, or penalties.

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 25.21, Tax Code, by adding Subsection (c), to authorize the governing body of the taxing unit, if real property, other than land used as for-profit multifamily housing, was erroneously omitted from the appraisal roll or tax roll for a taxing unit for any of the five preceding tax years, in the manner required by law for official action by the body, to postpone the delinquency date, as provided by Section 31.04(a-1), by as many as 36 months and that postponed delinquency date is the date on which penalties and interest begin to be incurred on the tax as provided by Section 33.01, if real property, other than land used as for-profit multifamily housing, was erroneously omitted from the appraisal roll or tax roll for a taxing unit for any of the five preceding tax years.

SECTION 2. Effective date: upon passage or the 91st day after the last day of the legislative session.