

BILL ANALYSIS

Senate Research Center

C.S.S.B. 796

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Finance

4/3/2007

Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, a tax collector is required to get approval from a majority of the entities in the taxing unit in order to allow split payments. However, statutory change is necessary for tax collectors to be allowed to extend split payments to residence homesteads.

C.S.S.B. 796 amends Section 31.03(b), Tax Code, in order to authorize persons to pay taxes on homestead residences in two payments, if approved by the taxing unit.

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 31.03, Tax Code, by amending Subsections (a) and (b) and adding Subsections (d), (e), and (f), as follows:

(a) Authorizes the governing body of a taxing unit that collects its own taxes (governing body) to provide, in the manner required by law for official action by the body, that a person who pays one-half of the unit's taxes before December 1 may pay the remaining one-half of the taxes without penalty or interest before July 1 of the following year, other than for taxes on the person's residential homestead.

(b) Provides that the split-payment option described in Subsection (a), if adopted, applies to taxes for all units for which the adopting unit collects taxes, other than taxes on residential homesteads.

(d) Authorizes a governing body to provide, in the manner provided by law for official action by the body, that a person who pays one-half of the unit's taxes on the person's residential homestead before December 1 may pay the remaining one-half of the taxes without penalty or interest before July 1 of the following year.

(e) Provides that the split-payment option described in Subsection (d), if adopted, applies to taxes for all residential homesteads for which the adopting unit collects taxes.

(f) Defines "residential homestead."

SECTION 2. Effective date: upon passage or September 1, 2007.