

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 29, 2007

TO: Honorable Fred Hill, Chair, House Committee on Local Government Ways & Means

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1910 by Elkins (Relating to the seizure of personal property for the payment of ad valorem taxes.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend Section 33.21 of the Tax Code to allow a taxing unit to seize personal property for payment of property taxes if the collector discovers that the property has been or is about to be sold in a liquidation sale in connection with the cessation of business.

Current law allows seizure of personal property for payment of property taxes if the collector discovers that the property is about to be removed from the county.

Because the state is constitutionally prohibited from imposing a state property tax, there would be no direct fiscal impact on the state. However, due to the operation of the school finance system, the state could see an indirect impact.

Passage of the bill would allow taxing units expanded authority to seize personal property to protect the unit's rights to foreclose for delinquent property taxes.

The Comptroller's Property Tax Division does not receive or maintain information from appraisal districts or taxing units that would be helpful in estimating the specific, local impact of this bill.

The bill would take effect September 1, 2007.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, CT, SD, SJS