

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 986
By: Villarreal (Hinojosa)
Finance
5/17/2009
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law provides that a taxing unit shall send any refund to the "property owner." The term "property owner" has different meanings to different taxing units and has resulted in refunds being sent to a variety of locations, leading to great confusion. Taxing units have sent refunds variously to the owner as of January 1, an owner purchasing after January 1, a lessee, the mortgage company, the tax agent, and the attorney of record.

C.S.H.B. 986 amends current law relating to the appeal of ad valorem tax determinations.

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 42.21(a) Tax Code, to require a party who appeals as provided by this chapter to file a petition for review with the district court within 60, rather than 45, days after the party received notice that a final order has been entered from which an appeal may be had or at any time after the hearing but before the 60-day deadline.

SECTION 2. Amends Section 42.43, Tax Code, by amending Subsection (c) and adding Subsections (b-1), (e), (f), (g), (h), and (i), as follows:

(b-1) Prohibits a taxing unit from sending a refund made under this section before the earlier of the 21st day after the final determination of the appeal, or the date the property owner files the form prescribed by Subsection (i) with the taxing unit.

(c) Provides that a refund is not considered made under this section until sent to the proper person as provided by this section.

(e) Requires a taxing unit, except as provided by Subsection (f) or (g), to send a refund made under this section to the property owner.

(f) Authorizes the final judgment in an appeal under this chapter to designate to whom and where a refund is to be sent.

(g) Requires the taxing unit, if a form prescribed by the comptroller of public accounts (comptroller) under Subsection (i) is filed with a taxing unit before the 21st day after the final determination of an appeal that requires a refund be made, to send the refund to the person and address designated on the form.

(h) Provides that a form filed with a taxing unit under Subsection (g) remains in effect for all subsequent refunds required by this section until revoked in a written revocation filed with the taxing unit by the property owner.

(i) Requires the comptroller to prescribe the form necessary to allow a property owner to designate the person to whom a refund must be sent. Requires the comptroller to include on the form a space for the property owner to designate to whom and where the refund is required to be sent and provide options to mail the refund to the property owner, the

business office of the property owner's attorney of record in the appeal, or any other individual and address designated by the property owner.

SECTION 3. Provides that the changes in law made by this Act are procedural changes to existing law and are applicable to any appeals or refunds pending as of the effective date of this bill.

SECTION 4. Makes application of this Act prospective.

SECTION 5. Effective date: upon passage or September 1, 2009.