

By: Edwards

H.B. No. 442

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the rate at which interest accrues in connection with
3 the deferral or abatement of the collection of ad valorem taxes on
4 the residence homestead of an elderly or disabled person.

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

6 SECTION 1. Section 33.06(d), Tax Code, is amended to read as
7 follows:

8 (d) A tax lien remains on the property and interest
9 continues to accrue during the period collection of taxes is
10 deferred or abated under this section. The annual interest rate
11 during the deferral or abatement period is five [~~eight~~] percent
12 instead of the rate provided by Section 33.01. Interest and
13 penalties that accrued or that were incurred or imposed under
14 Section 33.01 or 33.07 before the date the individual files the
15 deferral affidavit under Subsection (b) or the date the judgment
16 abating the suit is entered, as applicable, are preserved. A
17 penalty under Section 33.01 is not incurred during a deferral or
18 abatement period. The additional penalty under Section 33.07 may
19 be imposed and collected only if the taxes for which collection is
20 deferred or abated remain delinquent on or after the 181st day after
21 the date the deferral or abatement period expires. A plea of
22 limitation, laches, or want of prosecution does not apply against
23 the taxing unit because of deferral or abatement of collection as
24 provided by this section.

1 SECTION 2. Section 33.06(d), Tax Code, as amended by this
2 Act, applies to interest that accrued during a deferral or
3 abatement period under that section before September 1, 2009, if
4 the tax remains unpaid as of that date, and applies to interest that
5 accrues during a deferral or abatement period under that section on
6 or after that date, regardless of whether the deferral or abatement
7 period began before September 1, 2009, or begins on or after that
8 date.

9 SECTION 3. This Act takes effect September 1, 2009.