

AN ACT

relating to refunds of overpayments or erroneous payments of ad
valorem taxes.

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

SECTION 1. Section 31.11, Tax Code, is amended by amending
Subsections (a) and (c) and adding Subsection (i) to read as
follows:

(a) If a taxpayer applies to the tax collector of a taxing
unit for a refund of an overpayment or erroneous payment of taxes,
~~and~~ the collector ~~auditor~~ for the unit determines that the
payment was erroneous or excessive, and the auditor for the unit
agrees with the collector's determination, the ~~tax~~ collector
shall refund the amount of the excessive or erroneous payment from
available current tax collections or from funds appropriated by the
unit for making refunds. However, the collector may not make the
refund unless:

(1) in the case of a collector who collects taxes for
one taxing unit, the governing body of the taxing unit also
determines that the payment was erroneous or excessive and approves
the refund if the amount of the refund exceeds:

(A) \$2,500 for a refund to be paid by a county
with a population of 1.5 million or more; or

(B) \$500 for a refund to be paid by any other
taxing unit; or

1 (2) in the case of a collector who collects taxes for
2 more than one taxing unit, the governing body of the taxing unit
3 that employs the collector also determines that the payment was
4 erroneous or excessive and approves the refund if the amount of the
5 refund exceeds \$2,500.

6 (c) Except as provided by Subsection (c-1), an application
7 for a refund must be made within three years after the date of the
8 payment or the taxpayer waives the right to the refund. A taxpayer
9 may apply for a refund by filing:

10 (1) an application on a form prescribed by the
11 comptroller by rule; or

12 (2) a written request that includes information
13 sufficient to enable the collector and the auditor for the taxing
14 unit and, if applicable, the governing body of the taxing unit to
15 determine whether the taxpayer is entitled to the refund.

16 (i) Notwithstanding the other provisions of this section,
17 in the case of an overpayment or erroneous payment of taxes
18 submitted by a taxpayer to a collector who collects taxes for one or
19 more taxing units one of which is a county with a population of two
20 million or more:

21 (1) a taxpayer is not required to apply to the
22 collector for the refund to be entitled to receive the refund if the
23 amount of the refund is at least \$5 but does not exceed \$5,000; and

24 (2) the collector is not required to comply with
25 Subsection (g) unless the amount of the payment exceeds by more than
26 \$5,000 the amount of taxes owed for a tax year to a taxing unit for
27 which the collector collects taxes.

SECTION 2. Subsection (c), Section 11.438, Tax Code, is amended to read as follows:

(c) If a late application is approved after approval of the appraisal records for a year for which the exemption is granted, the chief appraiser shall notify the collector for each taxing unit in which the property was taxable in that year. The collector shall deduct from the organization's tax bill the amount of tax imposed on the property for that year and any penalties and interest relating to that tax if the tax and related penalties and interest have not been paid. If the tax and related penalties and interest on the property for a tax year for which an exemption is granted under this section were paid under protest, the organization is eligible ~~may apply~~ for a refund of the tax, penalties, and interest paid as provided by Section 31.11. The deadline prescribed by Section 31.11(c) for applying for a refund does not apply to a refund under this section.

SECTION 3. This Act applies only to ad valorem taxes imposed for a tax year that begins on or after the effective date of this Act.

SECTION 4. This Act takes effect January 1, 2010.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 798 passed the Senate on May 12, 2009, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 798 passed the House on May 26, 2009, by the following vote: Yeas 146, Nays 0, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor