

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 26, 2009

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

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

IN RE: SB798 by Carona (Relating to refunds of overpayments or erroneous payments of ad valorem taxes.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 31 of the Tax Code, regarding property tax collections.

The bill would require the tax collector to determine that an ad valorem tax payment was erroneous, and the taxing unit's auditor to agree, before making a refund. Current law requires only the auditor to make the determination.

The bill would also provide that in Harris and Dallas counties a taxpayer would not be required to submit a refund application for amounts of at least \$5 and not exceeding \$5,000. The tax collector would not be required to give the notice required by Tax Code Section 31.11(g) unless the overpayment exceeded \$5,000.

The bill would eliminate the requirement that a veteran's organization apply for a refund when filing a late application for exemption under Tax Code Section 11.438.

The bill would affect procedures for refunding taxes paid, but would not affect the amount of the refunds.

The bill would be effective January 1, 2010.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, MN, SD, SJS