

BILL ANALYSIS

H.B. 2205
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Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Observers note that a person who owes taxes to a county, a municipality, or a school district may be eligible to purchase property at a public tax sale. These observers further note that legislation is needed to require a person interested in buying real property at a public tax sale to show the officer conducting the sale, before the sale begins, documentation issued by the county assessor-collector that there are no delinquent property taxes owed by the potential bidder or buyer. H.B. 2205 seeks to address this issue.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2205 amends the Civil Practice and Remedies Code and the Tax Code to require a person, for that person to be eligible to bid on real property at a public tax sale, to exhibit to the officer conducting the sale, before the sale begins, an unexpired written statement issued to the person by the county assessor-collector of the county in which the sale is conducted, along with a tax certificate for each property tax account listed on the statement, showing that there are no delinquent property taxes owed by the person to that county and that for each school district or municipality having territory in the county there are no known or reported delinquent property taxes owed by the person to that school district or municipality. The bill prohibits an officer conducting a sale of real property from accepting a bid from, executing a deed to, or delivering a deed to a person who does not exhibit to the officer such a statement and such certificates before the sale begins.

H.B. 2205 prohibits an officer conducting a sale of real property from executing or delivering a deed to the purchaser of the property unless the purchaser exhibits to the officer a tax certificate showing that no taxes are due on the purchased property. The bill requires the deed executed by the officer conducting the sale, in addition to naming the successful bidder and reciting other information, to recite that the successful bidder exhibited a tax certificate showing that no taxes are due on the property purchased and that, before the sale began, the successful bidder exhibited the required tax certificate for each property tax account listed on the statement.

H.B. 2205 amends the Tax Code to prohibit an officer conducting a public tax sale of real property from executing a deed in the name of or deliver a deed to a person other than the person who was the successful bidder. The bill makes an unexpired statement issued by a county assessor-collector regarding delinquent taxes expire on March 1 of the year following the year of issuance and makes an unexpired statement issued before the effective date of the bill expire on March 1, 2012.

EFFECTIVE DATE

September 1, 2011.