

## **BILL ANALYSIS**

S.B. 432  
By: Jackson  
Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Property taxes owed on certain property located in a disaster area may currently be paid via an installment option, though a failure to make an installment payment by certain deadlines incurs a 12 percent penalty. Similar property tax installment payments are permitted for an individual who is disabled or at least 65 years of age, with late payments incurring a penalty of six percent. It has been suggested that the penalty for late disaster installment payments should be made consistent with the penalties for other installment payment plans. S.B. 432 seeks to provide for this consistency as it relates to the penalty for failure to make a timely installment payment of property taxes on property in a disaster area.

### **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**

S.B. 432 amends the Tax Code to reduce the penalty for failing to make an installment payment of property taxes on property in a disaster area before the applicable date from 12 percent to 6 percent of the unpaid amount and interest imposed for delinquent payment of the tax.

### **EFFECTIVE DATE**

September 1, 2011.