

By: Villarreal

H.B. No. 533

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the rendition of property for ad valorem tax purposes
3 and to the protest of a penalty imposed for a failure to timely file
4 a rendition statement or property report.

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

6 SECTION 1. Section 22.01, Tax Code, is amended by adding
7 Subsection (m) to read as follows:

8 (m) Notwithstanding Subsections (a) and (b), a person is not
9 required to render for taxation personal property appraised under
10 Section 23.24.

11 SECTION 2. Sections 22.28 and 22.30, Tax Code, are amended
12 to read as follows:

13 Sec. 22.28. PENALTY FOR DELINQUENT REPORT; PENALTY
14 COLLECTION PROCEDURES. (a) Except as otherwise provided by
15 Section 22.30, the chief appraiser shall impose a penalty on a
16 person who fails to timely file a rendition statement or property
17 report required by this chapter in an amount equal to 10 percent of
18 the total amount of taxes imposed on the property for that year by
19 taxing units participating in the appraisal district. The chief
20 appraiser shall deliver by first class mail a notice of the
21 imposition of the penalty to the person. The notice may be
22 delivered with a notice of appraised value provided under Section
23 25.19, if practicable.

24 (b) The chief appraiser shall certify to the assessor for

1 each taxing unit participating in the appraisal district that
2 imposes taxes on the property that a penalty imposed under this
3 chapter has become final [~~the chief appraiser has imposed a penalty~~
4 ~~under this section~~]. The assessor shall add the amount of the
5 penalty to the original amount of tax imposed on the property and
6 shall include that amount in the tax bill for that year. The
7 penalty becomes part of the tax on the property and is secured by
8 the tax lien that attaches to the property under Section 32.01.

9 (c) A penalty under this chapter becomes final if:

10 (1) the property owner does not protest under Section
11 22.30 the imposition of the penalty before the appraisal review
12 board;

13 (2) the appraisal review board determines a protest
14 brought by the property owner under Section 22.30 by denying a
15 waiver of the penalty and the property owner does not bring an
16 appeal under Chapter 42 or the judgment of the district court
17 sustaining the determination subsequently becomes final; or

18 (3) a court imposes the penalty under Section 22.29
19 and the order of the court imposing the penalty subsequently
20 becomes final.

21 (d) To help defray the costs of administering this chapter,
22 a collector who collects a penalty imposed under Subsection (a)
23 shall remit to the appraisal district that employs the chief
24 appraiser who imposed the penalty an amount equal to five percent of
25 the penalty amount collected.

26 Sec. 22.30. WAIVER OF PENALTY. (a) The chief appraiser may
27 waive the penalty imposed by Section 22.28 [~~or 22.29~~] if the chief

1 appraiser determines that the person exercised reasonable
2 diligence to comply with or has substantially complied with the
3 requirements of this chapter. A written request, accompanied by
4 supporting documentation, stating the grounds on which penalties
5 should be waived must be sent to the chief appraiser before June 1
6 or not later than the 30th day after the date the person received
7 notification of the imposition of the penalty, whichever is later.
8 The chief appraiser shall make a determination of the penalty
9 waiver request:

- 10 (1) based on the information submitted; and
11 (2) after consideration of the factors described by
12 Subsection (b).

13 (a-1) If the chief appraiser denies the penalty waiver
14 request, the chief appraiser shall deliver by first class mail
15 written notice of the denial to the property owner. The property
16 owner may protest the imposition of the penalty before the
17 appraisal review board. To initiate a protest, the property owner
18 must file written notice of the protest with the appraisal review
19 board before June 1 or not later than the 30th day after the date the
20 property owner receives the notice of denial, whichever is later.

21 (b) The appraisal review board [~~chief appraiser~~] shall
22 determine the protest [~~notify the person of the chief appraiser's~~
23 ~~determination regarding the penalty waiver request~~] after
24 considering:

25 (1) the person's compliance history with respect to
26 paying taxes and filing statements or reports;

27 (2) the type, nature, and taxability of the specific

1 property involved;

2 (3) the type, nature, size, and sophistication of the
3 person's business or other entity for which property is rendered;

4 (4) the completeness of the person's records;

5 (5) the person's reliance on advice provided by the
6 appraisal district that may have contributed to the person's
7 failure to comply and the imposition of the penalty;

8 (6) any change in appraisal district policy during the
9 current or preceding tax year that may affect how property is
10 rendered; and

11 (7) any other factors that may have caused the person
12 to fail to timely file a statement or report.

13 (c) The procedures for a [~~A property owner is entitled to~~]
14 protest before the appraisal review board under this section are
15 governed by the procedures for a taxpayer protest under Subchapter
16 C, Chapter 41. The property owner is entitled to appeal under
17 Chapter 42 an order of the appraisal review board determining a
18 protest brought under this section [~~the failure or refusal of a~~
19 ~~chief appraiser to waive a penalty under Subsection (a)].~~

20 (d) Notwithstanding any other provision of this section,
21 the chief appraiser and a protesting property owner may enter into a
22 settlement agreement on the matter being protested, if both parties
23 agree that there was a mistake.

24 SECTION 3. The change in law made by this Act applies only
25 to a penalty that is imposed under Section 22.28, Tax Code, on or
26 after the effective date of this Act. A penalty that was imposed
27 under that section before the effective date of this Act is governed

1 by the law in effect on the date the penalty was imposed, and the
2 former law is continued in effect for that purpose.

3 SECTION 4. This Act takes effect immediately if it receives
4 a vote of two-thirds of all the members elected to each house, as
5 provided by Section 39, Article III, Texas Constitution. If this
6 Act does not receive the vote necessary for immediate effect, this
7 Act takes effect September 1, 2011.