

By: Orr

H.B. No. 740

A BILL TO BE ENTITLED

AN ACT

relating to liability for ad valorem taxes on property that is the subject of a consignment.

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

SECTION 1. Section 32.07(h), Tax Code, is amended to read as follows:

(h) For purposes of Subsection (a), a person is considered to be an owner of property subject to:

(1) an installment contract of sale if the person is:

(A) [~~(1)~~] the seller of the property; or

(B) [~~(2)~~] a purchaser of the property who has the duty under the installment contract to pay taxes on the property; or

(2) a consignment if the person is:

(A) the consignor of the property; or

(B) a consignee of the property who has the duty under the consignment to pay taxes on the property.

SECTION 2. This Act applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this Act.

SECTION 3. This Act takes effect January 1, 2012.