

By: Gonzalez, Hughes, Villarreal, Oliveira,
Margo, et al.

H.B. No. 1090

Substitute the following for H.B. No. 1090:

By: Hilderbran

C.S.H.B. No. 1090

A BILL TO BE ENTITLED

AN ACT

relating to the calculation of interest on certain ad valorem tax
refunds.

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

SECTION 1. Section 42.43(b), Tax Code, is amended to read as
follows:

(b) For a refund made under this section [~~because an
exemption under Section 11.20 that was denied by the chief
appraiser or appraisal review board is granted~~], the taxing unit
shall include with the refund interest on the amount refunded
calculated at an annual rate that is equal to the sum of two percent
and the most recent prime rate quoted and [~~auction average rate
quoted on a bank discount basis for three-month treasury bills
issued by the United States government, as~~] published by the
Federal Reserve Board as of the first day of the month in which the
refund is made [~~, for the week in which the taxes became
delinquent~~], but not more than a total of eight [~~10~~] percent,
calculated from the delinquency date for the taxes until the date
the refund is made. [~~For any other refund made under this section,
the taxing unit shall include with the refund interest on the amount
refunded at an annual rate of eight percent, calculated from the
delinquency date for the taxes until the date the refund is made.~~]

SECTION 2. The change in law made by this Act applies only
to the rate of interest on a tax refund that is made following an

1 appeal that is finally determined on or after the effective date of
2 this Act. The rate of interest on a tax refund that is made
3 following an appeal that is finally determined before the effective
4 date of this Act is determined by the law in effect when the appeal
5 is finally determined, and that law is continued in effect for that
6 purpose.

7 SECTION 3. This Act takes effect September 1, 2011.