

1-1 By: Harris, Watson S.B. No. 582  
1-2 (In the Senate - Filed February 10, 2011; February 17, 2011,  
1-3 read first time and referred to Committee on Jurisprudence;  
1-4 March 14, 2011, reported favorably by the following vote: Yeas 7,  
1-5 Nays 0; March 14, 2011, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to service of process on certain domestic and foreign  
1-9 entities for the collection of delinquent property taxes.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 5.257, Business Organizations Code, is  
1-12 amended to read as follows:

1-13 Sec. 5.257. SERVICE OF PROCESS BY POLITICAL SUBDIVISION.

1-14 (a) A process, notice, or demand required or permitted by law to be  
1-15 served by a political subdivision of this state or by a person,  
1-16 including another political subdivision or an attorney, acting on  
1-17 behalf of a political subdivision in connection with the collection  
1-18 of a delinquent ad valorem tax may be served on a domestic or  
1-19 foreign corporation whose corporate privileges are forfeited under  
1-20 Section 171.251, Tax Code, a domestic or foreign limited liability  
1-21 company whose right to transact business in this state is forfeited  
1-22 under Section 171.2515, Tax Code, or a corporation or limited  
1-23 liability company that is involuntarily terminated under Chapter  
1-24 11[7] or whose registration is revoked under Chapter 9 by delivery  
1-25 of the process, notice, or demand to any officer or director of the  
1-26 corporation or manager or member of the limited liability company,  
1-27 as listed in the most recent records of the secretary of state.

1-28 (b) If the officers or directors of a corporation or the  
1-29 managers or members of the limited liability company are unknown or  
1-30 cannot be found, service on the corporation or limited liability  
1-31 company may be made in the same manner as service is made on unknown  
1-32 shareholders under law.

1-33 (c) Notwithstanding any disability or reinstatement of a  
1-34 corporation or limited liability company, service of process under  
1-35 this section is sufficient for a judgment against the corporation  
1-36 or limited liability company or a judgment in rem against any  
1-37 property to which the corporation or limited liability company  
1-38 holds title.

1-39 SECTION 2. Section 17.091, Civil Practice and Remedies  
1-40 Code, is amended by amending Subsection (a) and adding Subsection  
1-41 (f) to read as follows:

1-42 (a) In a suit to collect delinquent property taxes by the  
1-43 state or a political subdivision of the state in which a ~~person who~~  
1-44 ~~is a~~ defendant in the suit is a nonresident, the secretary of state  
1-45 is an agent for service of process on that defendant if the  
1-46 defendant owns, has, or claims an interest in or a lien against  
1-47 property in this state that is the subject of the suit. This  
1-48 section applies regardless of whether the defendant has resided in  
1-49 this state.

1-50 (f) In this section, "nonresident" includes:

1-51 (1) an individual who is not a resident of this state;  
1-52 and

1-53 (2) a foreign corporation, foreign unincorporated  
1-54 association, foreign general partnership, foreign limited  
1-55 partnership, foreign limited liability company, foreign  
1-56 professional association, foreign business trust, foreign  
1-57 cooperative, or foreign real estate investment trust that is not  
1-58 required to appoint a registered agent for service of process in  
1-59 this state under the provisions of the Business Organizations Code.

1-60 SECTION 3. Section 5.257, Business Organizations Code, as  
1-61 amended by this Act, and Section 17.091, Civil Practice and  
1-62 Remedies Code, as amended by this Act, apply only to service of  
1-63 process issued on or after the effective date of this Act. Service  
1-64 of process issued before the effective date of this Act is governed

2-1 by the law as it existed immediately before the effective date of  
2-2 this Act, and that law is continued in effect for that purpose.  
2-3 SECTION 4. This Act takes effect September 1, 2011.

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