

BILL ANALYSIS

Senate Research Center

S.B. 1224
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Finance
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Property Code specifies that a payment must be sent by regular first class mail and bear the post office cancellation mark (postmark) to determine timeliness of payment. Many property owners utilize nationwide carriers to insure delivery but tax collectors are not permitted to utilize the shipping date for the purpose of determining timeliness of payment. This often results in costly penalties and interest creating an unnecessary burden on property owners whose intent is clear—to timely remit payment of property taxes.

An informal survey of county tax offices revealed that acceptance of ship date is common. This legislation will bring a common practice into conformity with law and will have the additional effect of providing uniformity in the tax collection process benefiting property owners across Texas.

S.B. 1224 amends current law relating to the use by a property owner of a common or contract carrier to send a payment, report, application, statement, or other document or paper to a taxing unit or taxing official.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1.08, Tax Code, as follows:

Sec. 1.08. New heading: **TIMELINESS OF ACTION BY MAIL OR COMMON OR CONTRACT CARRIER**. Provides that, when a property owner is required by this title (Property Tax Code) to make a payment or to file or deliver a report, application, statement, or other document or paper by a specified due date, the property owner's action is timely if it is properly addressed with postage or handling charges prepaid and:

- (1) it is sent by regular first-class mail, and bears a post office cancellation mark of a date earlier than or on the specified due date and within the specified period;
- (2) it is sent by common or contract carrier and bears a receipt mark indicating a date earlier than or on the specified due date and within the specified period; or
- (3) it is sent by regular first-class mail or common or contract carrier and the property owner furnishes satisfactory proof that it was deposited in the mail or with the common or contract carrier on or before the specified due date and within the specified period.

Makes nonsubstantive changes.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: upon passage or September 1, 2013.