

By: Farrar

H.B. No. 1693

A BILL TO BE ENTITLED

AN ACT

1  
2 Relating to property tax deferrals and abatements for small  
3 businesses located on a light rail line affected by construction.

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

5 SECTION 1. Chapter 33, Subchapter A of the Tax Code is  
6 amended by adding Section 33.066:

7 Sec. 33.066. DEFERRED COLLECTION OF TAXES FOR SMALL  
8 BUSINESSES AFFECTED BY LIGHT RAIL CONSTRUCTION. (a) An individual  
9 is entitled to defer tax collection or abate a suit to collect a  
10 delinquent tax imposed on his/her small business property that is  
11 on a rail line.

12 (b) To obtain a deferral, an individual must file with the  
13 chief appraiser for the appraisal district in which the property is  
14 located an affidavit stating the facts required to be established  
15 by Subsection (a). The chief appraiser shall notify each taxing  
16 unit participating in the district of the filing. After an  
17 affidavit is filed under this subsection, a taxing unit may not file  
18 suit to collect delinquent taxes on the property for which  
19 collection is deferred until the individual no longer owns and  
20 occupies the small business on the rail line, or six months after  
21 the construction on the rail line immediately adjacent to the small  
22 business ceases.

23 (c) To obtain an abatement, the individual must file in the  
24 court in which the delinquent tax suit is pending an affidavit

1 stating the facts required to be established by Subsection (a). If  
2 the taxing unit that filed the suit does not file a controverting  
3 affidavit or if, after a hearing, the court finds the individual is  
4 entitled to the deferral, the court shall abate the suit until the  
5 individual no longer owns and occupies the small business property  
6 on the rail line, or six months after the construction on the rail  
7 line immediately adjacent to the small business ceases. The clerk  
8 of the court shall deliver a copy of the judgement abating the suit  
9 to the chief appraiser of each appraisal district that appraises  
10 the property.

11 (d) A tax lien remains on the property during the period  
12 collection of delinquent taxes is abated under this section.  
13 Interest and penalties that accrued or that were incurred or  
14 imposed under Section 33.01 or 33.07 before the date the individual  
15 files the deferral affidavit under Subsection (b) or the date the  
16 judgment abating the suit is entered, as applicable, are preserved.  
17 A penalty is not incurred nor is interest accrued on the delinquent  
18 taxes for which collection is deferred or abated during a deferral  
19 or abatement period. The additional penalty under Section 33.07 may  
20 be imposed and collected only if the delinquent taxes for which  
21 collection is deferred or abated remain delinquent on or after the  
22 91st day after the date the deferral or abatement period expires. A  
23 plea of limitation, laches, or want of prosecution does not apply  
24 against the taxing unit because of deferral or abatement of  
25 collection as provided by this section.

26 (e) Each year the chief appraiser for each appraisal  
27 district shall publicize in a manner reasonably designed to notify

1 all residents of the county for which the appraisal district is  
2 established of the provisions of this section and, specifically,  
3 the method by which an eligible person may obtain a deferral.

4 (f) For this section:

5 "Small business" means a solvent business that does not have  
6 more than \$1,000,000 in gross annual revenue;

7 "On a rail line" means a property that is immediately  
8 adjacent to the light rail corridor or directly affected by light  
9 rail construction.

10 SECTION 2. This Act takes effect September 1, 2013.