

By: Canales

H.B. No. 2990

A BILL TO BE ENTITLED

AN ACT

relating to collection costs that may be imposed in connection with delinquent ad valorem taxes owed by certain veterans.

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

SECTION 1. Section 33.07, Tax Code, is amended by amending Subsection (a) and adding Subsections (e) and (f) to read as follows:

(a) A taxing unit or appraisal district may provide, in the manner required by law for official action by the body, that taxes that become delinquent on or after February 1 of a year but not later than May 1 of that year and that remain delinquent on July 1 of the year in which they become delinquent incur an additional penalty to defray costs of collection, if the unit or district or another unit that collects taxes for the unit has contracted with an attorney pursuant to Section 6.30. Except as provided by Subsection (e), the [The] amount of the penalty may not exceed the amount of the compensation specified in the contract with the attorney to be paid in connection with the collection of the delinquent taxes.

(e) If the property owner is a veteran, the amount of the additional penalty may not exceed the lesser of:

(1) the amount of the penalty prescribed by Subsection (a); or

(2) an amount equal to five percent of the amount of

1 the delinquent taxes for which the additional penalty is incurred.

2 (f) In this section, "veteran" means an individual who:

3 (1) served not less than 90 days, unless sooner
4 discharged by reason of a service-connected disability, on active
5 duty in the Army, Navy, Air Force, Coast Guard, United States Public
6 Health Service as constituted under 42 U.S.C. Section 201 et seq.,
7 or Marine Corps of the United States after September 16, 1940, and
8 who has not been dishonorably discharged from the branch of the
9 service in which the person served;

10 (2) has at least 20 years of active or reserve military
11 service as computed when determining the person's eligibility to
12 receive retired pay under applicable federal law; or

13 (3) has enlisted or received an appointment in the
14 Texas National Guard, who has completed all initial active duty
15 training required as a condition of the enlistment or appointment,
16 and who has not been dishonorably discharged from the Texas
17 National Guard.

18 SECTION 2. Section 33.08, Tax Code, is amended by amending
19 Subsection (b) and adding Subsection (f) to read as follows:

20 (b) The governing body of the taxing unit or appraisal
21 district, in the manner required by law for official action, may
22 provide that taxes that become delinquent on or after June 1 under
23 Section 26.07(f), 26.15(e), 31.03, 31.031, 31.032, 31.04, or 42.42
24 incur an additional penalty to defray costs of collection. Except
25 as provided by Subsection (f), the [The] amount of the penalty may
26 not exceed the amount of the compensation specified in the
27 applicable contract with an attorney under Section 6.30 to be paid

1 in connection with the collection of the delinquent taxes.

2 (f) In this subsection, "veteran" has the meaning assigned
3 by Section 33.07(f). If the property owner is a veteran, the amount
4 of the additional penalty may not exceed the lesser of:

5 (1) the amount of the penalty prescribed by Subsection
6 (b); or

7 (2) an amount equal to five percent of the amount of
8 the delinquent taxes for which the additional penalty is incurred.

9 SECTION 3. Section 33.11, Tax Code, is amended by amending
10 Subsection (c) and adding Subsection (h) to read as follows:

11 (c) Except as provided by Subsection (h), the [The] amount
12 of the penalty may not exceed the amount of the compensation
13 specified in the contract with the attorney to be paid in connection
14 with the collection of the delinquent taxes.

15 (h) In this subsection, "veteran" has the meaning assigned
16 by Section 33.07(f). If the property owner is a veteran, the amount
17 of the additional penalty may not exceed the lesser of:

18 (1) the amount of the penalty prescribed by Subsection
19 (c); or

20 (2) an amount equal to five percent of the amount of
21 the delinquent taxes for which the additional penalty is incurred.

22 SECTION 4. The changes in law made by this Act apply only to
23 the additional penalty on taxes that become delinquent on or after
24 the effective date of this Act.

25 SECTION 5. This Act takes effect immediately if it receives
26 a vote of two-thirds of all the members elected to each house, as
27 provided by Section 39, Article III, Texas Constitution. If this

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1 Act does not receive the vote necessary for immediate effect, this

2 Act takes effect September 1, 2013.