

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 3, 2013

TO: Honorable José Menéndez, Chair, House Committee on Defense & Veterans' Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2990 by Canales (Relating to collection costs that may be imposed in connection with delinquent ad valorem taxes owed by certain veterans.), **As Introduced**

No fiscal implication to the State is anticipated.

This bill would amend Sections 33.07, 33.08 and 33.11 of the Tax Code, regarding property taxation, delinquency, and additional penalties for collection costs, to establish a limit for veterans on the amount of an additional delinquent tax collection penalty if the taxing unit has contracted with an attorney to represent the taxing unit. The additional penalty would be limited to 5 percent of the amount of the delinquent taxes for which the additional penalty is incurred. Under current law, the additional penalty is limited only to the amount of compensation specified in the attorney's delinquent tax collection contract.

The bill would define "veteran".

The bill would reduce the amount of compensation received by delinquent tax attorneys from additional delinquent tax collection penalties on veterans but would not affect taxable property values, tax rates, collection rates, or any other variable which might affect the revenues of units of local governments or the state.

This bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2013. The bill would apply only to an additional penalty on taxes that become delinquent on or after the bill's effective date.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KJo, SD, SJS