

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 10, 2013

TO: Honorable Harvey Hilderbran, Chair, House Committee on Ways & Means

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1508 by Hegar (Relating to the rendition of certain property for ad valorem tax purposes.), **As Engrossed**

No fiscal implication to the State is anticipated.

This bill would amend Section 22.01 of the Tax Code, regarding property taxation and renditions, to provide that a secured party, with the property owner's consent, may render for property taxation any property of the owner in which the secured party has a security interest even though the secured party is not required to render the property under existing law. This new provision would apply only to property that had a cost when new of more than \$50,000.

The secured party would be required to indicate their capacity, and the owner's name and address, when rendering property for the owner. The secured party would be entitled to rely on the property owner with respect to the accuracy of the rendition statement and other legal matters. The secured party would not be liable for any false information supplied by the property owner or the failure to timely file the rendition if the property owner fails to promptly cooperate with the secured party. A secured party would not be required to swear that the rendered information is true and accurate.

The bill would define "secured party" and "security interest".

The bill 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.

The bill would take effect on January 1, 2014.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD, SJS