

By: Metcalf

H.B. No. 158

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the rate at which interest accrues in connection with  
3 the deferral or abatement of the collection of ad valorem taxes on  
4 an appreciating residence homestead.

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

6 SECTION 1. Section 33.065(g), Tax Code, is amended to read  
7 as follows:

8 (g) A tax lien remains on the property and interest  
9 continues to accrue during the period collection of delinquent  
10 taxes is deferred or abated under this section. The annual interest  
11 rate during the deferral or abatement period is five [~~eight~~]  
12 percent instead of the rate provided by Section 33.01. Interest and  
13 penalties that accrued or that were incurred or imposed under  
14 Section 33.01 or 33.07 before the date the individual files the  
15 deferral affidavit under Subsection (c) or the date the judgment  
16 abating the suit is entered, as applicable, are preserved. A  
17 penalty is not incurred on the delinquent taxes for which  
18 collection is deferred or abated during a deferral or abatement  
19 period. The additional penalty under Section 33.07 may be imposed  
20 and collected only if the delinquent taxes for which collection is  
21 deferred or abated remain delinquent on or after the 91st day after  
22 the date the deferral or abatement period expires. A plea of  
23 limitation, laches, or want of prosecution does not apply against  
24 the taxing unit because of deferral or abatement of collection as

1 provided by this section.

2           SECTION 2. This Act applies only to interest that accrues  
3 during a deferral or abatement period on or after the effective date  
4 of this Act, regardless of whether the deferral or abatement period  
5 began before that date or begins on or after that date. Interest  
6 that accrued during a deferral or abatement period before the  
7 effective date of this Act is governed by the law in effect when the  
8 interest accrued, and that law is continued in effect for that  
9 purpose.

10           SECTION 3. This Act takes effect January 1, 2018.