

BILL ANALYSIS

Senate Research Center
86R2812 LHC-F

H.B. 1885
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Property Tax
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Taxpayers can be held liable for penalties and interest on a property tax bill that becomes delinquent as a result of an error by a mortgagee.

H.B. 1885 would address this problem by providing a waiver of those penalties and fees under certain circumstances.

H.B. 1885 amends current law relating to the waiver of penalties and interest if an error by a mortgagee results in failure to pay an ad valorem tax.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 33.011, Tax Code, by amending Subsection (d) and adding Subsection (k), as follows:

(d) Requires a request for a waiver of penalties and interest under certain subsections of this section, including Subsection (k), to be made before the 181st day after the delinquency date.

(k) Authorizes the governing body of a taxing unit to waive penalties and interest on a delinquent tax if:

(1) the property for which the tax is owed is subject to a mortgage that does not require the owner of the property to fund an escrow account for the payment of the taxes on the property;

(2) the tax bill was mailed or delivered by electronic means to the mortgagee of the property, but the mortgagee failed to mail a copy of the bill to the owner of the property as required by Section 31.01(j) (relating to requiring the mortgagee, if a certain tax bill is mailed or is delivered by certain electronic means to a mortgagee of a property, to mail a copy of the bill to the owner of the property); and

(3) the taxpayer paid the tax not later than the 21st day after the date the taxpayer knew or should have known of the delinquency.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: January 1, 2020.