

By: Dutton

H.B. No. 1560

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a tax on title insurance policies written by title
3 insurance companies to fund housing programs and services; imposing
4 a tax.

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

6 SECTION 1. Subtitle E, Title 3, Insurance Code, is amended
7 by adding Chapter 282 to read as follows:

8 CHAPTER 282. TITLE INSURANCE TAX FOR HOUSING PROGRAMS AND SERVICES

9 Sec. 282.0001. TAX IMPOSED; RATE. (a) A tax is imposed on
10 the issuance of each title insurance policy that is written for
11 delivery in this state by a title insurance company authorized to
12 engage in business in this state and for which the full basic
13 premium is charged.

14 (b) The rate of the tax is \$1 on each policy described by
15 Subsection (a).

16 (c) The tax imposed by this section is in addition to other
17 taxes, fees, and assessments imposed on a title insurance company.

18 Sec. 282.0002. COLLECTION OF TAX. The comptroller shall
19 collect the tax.

20 Sec. 282.0003. TAX DUE DATES. (a) A title insurance
21 company shall pay the tax on an annual, semiannual, or more frequent
22 periodic basis, as determined by the comptroller.

23 (b) The comptroller may require semiannual or more frequent
24 periodic payments only from a title insurance company whose tax

1 liability under this chapter for the preceding year was at least
2 \$2,000.

3 Sec. 282.0004. DEPOSIT AND USE OF TAX REVENUE. (a) The
4 comptroller shall deposit taxes collected under this chapter as
5 follows:

6 (1) one-fourth to the credit of the foundation school
7 fund; and

8 (2) the remainder to the credit of the general revenue
9 fund.

10 (b) Money deposited under Subsection (a)(2) may be
11 appropriated only for programs and services designed to reduce
12 homelessness and housing insecurity.

13 Sec. 282.0005. RULES. The comptroller may adopt reasonable
14 rules to implement this chapter, including rules providing for the
15 form and manner of remittance of the taxes imposed by this chapter.

16 SECTION 2. Not later than December 1, 2019, the comptroller
17 of public accounts shall adopt rules necessary for the
18 implementation and administration of Chapter 282, Insurance Code,
19 as added by this Act.

20 SECTION 3. Chapter 282, Insurance Code, as added by this
21 Act, applies to a title insurance policy written on or after January
22 1, 2020. A title insurance policy written before January 1, 2020,
23 is governed by the law in effect when the title insurance policy was
24 written, and that law is continued in effect for that purpose.

25 SECTION 4. This Act takes effect September 1, 2019.