

By: Middleton

H.B. No. 4194

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the interest rate on a refund of ad valorem taxes made  
3 following the final determination of an appeal that decreases a  
4 property owner's tax liability.

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

6 SECTION 1. Section 42.43, Tax Code, is amended by amending  
7 Subsections (b), (b-1), and (c) and adding Subsection (b-2) to read  
8 as follows:

9 (b) Except as provided by Subsection (b-1), for [~~For~~] a  
10 refund made under this section, the taxing unit shall include with  
11 the refund interest on the amount refunded calculated at an annual  
12 rate of 9.5 percent, calculated from the delinquency date for the  
13 taxes until the date the refund is made.

14 (b-1) For a refund made under this section resulting from  
15 the final determination of an appeal that decreases a property  
16 owner's liability for taxes imposed on a refinery, the taxing unit  
17 shall include with the refund interest on the amount refunded  
18 calculated at an annual rate that is equal to the auction average  
19 rate quoted on a bank discount basis for one-month treasury bills  
20 issued by the United States government, as published by the Federal  
21 Reserve Board, for the week in which the taxes became delinquent,  
22 but not more than 4 percent, calculated from the delinquency date  
23 for the taxes until the date the refund is made. In this  
24 subsection, "refinery" means an installation that refines, treats,

1 prepares, or processes raw or unrefined petroleum.

2 (b-2) A taxing unit may not send a refund made under this  
3 section before the earlier of:

4 (1) the 21st day after the final determination of the  
5 appeal; or

6 (2) the date the property owner files the form  
7 prescribed by Subsection (i) with the taxing unit.

8 (c) Notwithstanding Subsections [~~Subsection~~] (b) and (b-1),  
9 if a taxing unit does not make a refund, including interest,  
10 required by this section before the 60th day after the date the  
11 chief appraiser certifies a correction to the appraisal roll under  
12 Section 42.41, the taxing unit shall include with the refund  
13 interest on the amount refunded at an annual rate of 12 percent,  
14 calculated from the delinquency date for the taxes until the date  
15 the refund is made. A refund is not considered made under this  
16 section until sent to the proper person as provided by this section.

17 SECTION 2. The change in law made by this Act applies only  
18 to interest that accrues on or after the effective date of this Act.  
19 Interest that accrued before the effective date of this Act is  
20 governed by the law in effect when the interest accrued, and that  
21 law is continued in effect for that purpose.

22 SECTION 3. This Act takes effect September 1, 2019.