

1-1 By: Bettencourt, et al. S.B. No. 1007  
1-2 (In the Senate - Filed February 22, 2019; March 1, 2019,  
1-3 read first time and referred to Committee on Property Tax;  
1-4 April 15, 2019, reported favorably by the following vote: Yeas 5,  
1-5 Nays 0; April 15, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			

1-13 A BILL TO BE ENTITLED  
1-14 AN ACT

1-15 relating to the prepayment of ad valorem taxes.

1-16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-17 SECTION 1. Sections 31.072(a), (c), and (d), Tax Code, are  
1-18 amended to read as follows:

1-19 (a) At the request of a property owner, the [The] collector  
1-20 for a taxing unit shall [may] enter a contract with the [a] property  
1-21 owner under which the property owner deposits money in an escrow  
1-22 account maintained by the collector to provide for the payment of  
1-23 property taxes collected by the collector on any property the  
1-24 person owns.

1-25 (c) A contract under this section must allow [require] the  
1-26 property owner to make [monthly] deposits to the escrow account at  
1-27 any time until the earlier of the following occurs:

1-28 (1) the estimated amount of taxes as provided [set] in  
1-29 the contract under Subsection (d) [of this section] accrues in the  
1-30 account; or

1-31 (2) [until] the tax bill for the property is  
1-32 prepared[, whichever occurs earlier].

1-33 (d) On request by a property owner to establish an escrow  
1-34 account under this section, the collector shall estimate the amount  
1-35 of taxes to be imposed on the property by the affected taxing units  
1-36 in that year and include that amount in the contract to establish  
1-37 the escrow account. The contract must also include an estimate of  
1-38 the amount of money the property owner would need to deposit to the  
1-39 escrow account each month in order to[. A contract to establish an  
1-40 escrow account must provide for deposits that would] provide, as of  
1-41 the date the collector estimates the tax bill for the property will  
1-42 be prepared, a total deposit to the escrow account that is not less  
1-43 than the amount of taxes estimated by the collector or the amount of  
1-44 taxes imposed on the property by the affected taxing units in the  
1-45 preceding year, whichever is less. The contract may not require the  
1-46 property owner to comply with a schedule of deposits or prescribe a  
1-47 minimum amount that must be deposited to the escrow account. The  
1-48 collector may agree to a deposit of a greater amount on the property  
1-49 owner's request.

1-50 SECTION 2. Sections 31.072(h) and (i), Tax Code, are  
1-51 repealed.

1-52 SECTION 3. The change in law made by this Act applies only  
1-53 to a contract under Section 31.072, Tax Code, that is entered into  
1-54 on or after the effective date of this Act. A contract under  
1-55 Section 31.072, Tax Code, that is entered into before the effective  
1-56 date of this Act is governed by the law in effect when the contract  
1-57 was entered into, and the former law is continued in effect for that  
1-58 purpose.

1-59 SECTION 4. This Act takes effect September 1, 2019.

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