

By: Hughes

S.B. No. 1013

A BILL TO BE ENTITLED

AN ACT

relating to the calculation of the penalty for filing a late application for certain ad valorem tax exemptions and allocations.

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

SECTION 1. Section 11.4391(b), Tax Code, is amended to read as follows:

(b) If the application is approved, the property owner is liable to each taxing unit allowing the exemption for a penalty in an amount equal to 10 percent of the difference between the amount of tax imposed by the taxing unit on the inventory or property, a portion of which consists of freeport goods, and the amount that would otherwise have been imposed up to a maximum penalty of 10 percent of the tax imposed with the exemption.

SECTION 2. Section 21.10(b), Tax Code, is amended to read as follows:

(b) If the application is approved, the property owner is liable to each taxing unit for a penalty in an amount equal to 10 percent of the difference between the amount of tax imposed by the taxing unit on the property without the allocation and the amount of tax imposed on the property with the allocation up to a maximum penalty of 10 percent of the tax imposed with the allocation.

SECTION 3. Section 11.4391(b), Tax Code, as amended by this Act, applies only to an application for an exemption for freeport goods under Section 11.251, Tax Code, filed on or after the

1 effective date of this Act.

2 SECTION 4. Section [21.10](#)(b), Tax Code, as amended by this
3 Act, applies only to an application for an allocation under Section
4 [21.09](#), Tax Code, filed on or after the effective date of this Act.

5 SECTION 5. This Act takes effect September 1, 2019.