

By: Menéndez

S.B. No. 2544

A BILL TO BE ENTITLED

AN ACT

relating to deferred collection of ad valorem taxes on certain residence homesteads.

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

SECTION 1. The heading to Section 33.06, Tax Code, is amended to read as follows:

Sec. 33.06. DEFERRED COLLECTION OF TAXES ON CERTAIN RESIDENCE HOMESTEADS [~~HOMESTEAD OF ELDERLY OR DISABLED PERSON OR DISABLED VETERAN~~].

SECTION 2. Sections 33.06(a) and (d), Tax Code, are amended to read as follows:

(a) An individual is entitled to defer collection of a tax, abate a suit to collect a delinquent tax, or abate a sale to foreclose a tax lien if:

(1) the individual:

(A) is 65 years of age or older;

(B) is disabled as defined by Section 11.13(m);

or

(C) is qualified to receive an exemption under Section 11.134 or 11.22; and

(2) the tax was imposed against property that the individual owns and occupies as a residence homestead.

(d) A tax lien remains on the property and interest continues to accrue during the period collection of taxes is

1 deferred or abated under this section. The annual interest rate
2 during the deferral or abatement period is 2.5 [~~five~~] percent
3 instead of the rate provided by Section 33.01. Interest and
4 penalties that accrued or that were incurred or imposed under
5 Section 33.01 or 33.07 before the date the individual files the
6 deferral affidavit under Subsection (b) or the date the judgment
7 abating the suit is entered, as applicable, are preserved. A
8 penalty under Section 33.01 is not incurred during a deferral or
9 abatement period. The additional penalty under Section 33.07 may
10 be imposed and collected only if the taxes for which collection is
11 deferred or abated remain delinquent on or after the 181st day after
12 the date the deferral or abatement period expires. A plea of
13 limitation, laches, or want of prosecution does not apply against
14 the taxing unit because of deferral or abatement of collection as
15 provided by this section.

16 SECTION 3. Section 33.06(d), Tax Code, as amended by this
17 Act, applies only to interest that accrues during a deferral or
18 abatement period on or after January 1, 2020, regardless of whether
19 the deferral or abatement period began before that date or begins on
20 or after that date. Interest that accrued during a deferral or
21 abatement period before January 1, 2020, is governed by the law in
22 effect when the interest accrued, and that law is continued in
23 effect for that purpose.

24 SECTION 4. This Act takes effect January 1, 2020.