

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 16, 2019

TO: Honorable Paul Bettencourt, Chair, Senate Committee on Property Tax

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: SB2083 by Hinojosa (Relating to the calculation of the ad valorem taxes imposed on property for the year in which the property is acquired by a governmental entity.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 26 of the Tax Code, regarding assessment, to change the calculation of the amount of tax due on a property acquired under a possession and use agreement or award in a condemnation proceeding to add the effective date of the agreement or award as an option for the numerator in the proration of taxes calculation.

The change in the proration of taxes does not change the amount of taxes owed to taxing units, but how they are allocated between landowner and the condemning government entity. As such there is no fiscal impact from the provisions of this bill.

The bill would take effect immediately upon enactment, assuming it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2019.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: WP, KK, SD, SJS