

By: Bernal

H.B. No. 746

A BILL TO BE ENTITLED

AN ACT

relating to installment payments of ad valorem taxes imposed on certain homesteads.

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

SECTION 1. The heading to Section 31.031, Tax Code, is amended to read as follows:

Sec. 31.031. QUARTERLY INSTALLMENT PAYMENTS OF CERTAIN HOMESTEAD TAXES.

SECTION 2. Section 31.031(a-1), Tax Code, is amended to read as follows:

(a-1) An individual to whom this section applies may pay a taxing unit's taxes imposed on property that the person owns and occupies as a residence homestead or for which the person receives an exemption under Section 11.22 in four equal installments without penalty or interest if the first installment is paid before the delinquency date and is accompanied by notice to the taxing unit that the person will pay the remaining taxes in three equal installments. If the delinquency date is February 1, the second installment must be paid before April 1, the third installment must be paid before June 1, and the fourth installment must be paid before August 1. If the delinquency date is a date other than February 1, the second installment must be paid before the first day of the second month after the delinquency date, the third installment must be paid before the first day of the fourth month

1 after the delinquency date, and the fourth installment must be paid
2 before the first day of the sixth month after the delinquency date.

3 SECTION 3. Chapter 31, Tax Code, is amended by adding
4 Section 31.033 to read as follows:

5 Sec. 31.033. MONTHLY INSTALLMENT PAYMENTS OF TAXES ON
6 CERTAIN HOMESTEADS. (a) This section applies only to:

7 (1) an individual who is qualified for an exemption
8 under Section 11.13;

9 (2) an individual who is:

10 (A) a disabled veteran or the unmarried surviving
11 spouse of a disabled veteran; and

12 (B) qualified for an exemption under Section
13 11.132 or 11.22; or

14 (3) an individual who is:

15 (A) disabled or at least 65 years of age; and

16 (B) qualified for an exemption under Section
17 11.13(c).

18 (b) An individual to whom this section applies may pay a
19 taxing unit's taxes imposed on property that the person owns and
20 occupies as a residence homestead or for which the person receives
21 an exemption under Section 11.22 in five or nine equal installments
22 without penalty or interest if the first installment is paid before
23 November 1 of the year for which the taxes were assessed and is
24 accompanied by notice to the taxing unit that the person will pay
25 the remaining taxes in four or eight equal monthly installments, as
26 applicable. The second installment must be paid before December 1,
27 and each subsequent installment must be paid before the first day of

1 each subsequent month. If the individual elects to pay taxes in five
2 equal installments, the fifth installment must be paid before March
3 1. If the individual elects to pay taxes in nine equal installments,
4 the ninth installment must be paid before July 1.

5 (c) If the individual fails to make a timely payment due
6 after January 1, the unpaid installment is delinquent and incurs a
7 penalty of six percent and interest as provided by Section
8 33.01(c). The penalty provided by Section 33.01(a) does not apply
9 to the unpaid installment.

10 (d) An individual may pay more than the amount due for each
11 installment and the amount in excess of the amount due shall be
12 credited to the next installment. An individual may not pay less
13 than the total amount due for each installment unless the collector
14 provides for the acceptance of partial payments under this section.
15 If the collector accepts a partial payment, penalties and interest
16 are incurred only by the amount of each installment due after
17 January 1 that remains unpaid on the applicable date provided by
18 Subsection (b).

19 SECTION 4. Section 33.08(b), Tax Code, is amended to read as
20 follows:

21 (b) The governing body of the taxing unit or appraisal
22 district, in the manner required by law for official action, may
23 provide that taxes that become delinquent on or after June 1 under
24 Section 26.075(j), 26.15(e), 31.03, 31.031, 31.032, 31.033, 31.04,
25 or 42.42 incur an additional penalty to defray costs of collection.
26 The amount of the penalty may not exceed the amount of the
27 compensation specified in the applicable contract with an attorney

1 under Section 6.30 to be paid in connection with the collection of
2 the delinquent taxes.

3 SECTION 5. This Act applies only to ad valorem taxes imposed
4 for a tax year beginning on or after the effective date of this Act.

5 SECTION 6. This Act takes effect January 1, 2022.