

By: Muñoz, Jr.

H.B. No. 3824

A BILL TO BE ENTITLED

AN ACT

relating to the calculation of the penalty imposed on a delinquent  
ad valorem tax.

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

SECTION 1. Sections 33.01(a) and (b), Tax Code, are amended  
to read as follows:

(a) A delinquent tax incurs a penalty of six percent of the  
amount of the tax for the first calendar month it is delinquent plus  
one percent for each additional month or portion of a month the tax  
remains unpaid prior to April [~~July~~] 1 of the year in which it  
becomes delinquent. However, a tax delinquent on April [~~July~~] 1  
incurs a total penalty of eight [~~twelve~~] percent of the amount of  
the delinquent tax without regard to the number of months the tax  
has been delinquent. A delinquent tax continues to incur the  
penalty provided by this subsection as long as the tax remains  
unpaid, regardless of whether a judgment for the delinquent tax has  
been rendered.

(b) If a person who exercises the split-payment option  
provided by Section 31.03 [~~of this code~~] fails to make the second  
payment before July 1, the second payment is delinquent and incurs a  
penalty of eight [~~twelve~~] percent of the amount of unpaid tax.

SECTION 2. The change in law made by this Act applies only  
to the penalty for failure to pay a tax that becomes delinquent on  
or after the effective date of this Act. The penalty for failure to

1 pay a tax that became delinquent before the effective date of this  
2 Act is governed by the law in effect when the tax became delinquent,  
3 and the former law is continued in effect for that purpose.

4 SECTION 3. This Act takes effect September 1, 2021.