

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 4, 2021

TO: Honorable Morgan Meyer, Chair, House Committee on Ways & Means

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB746 by Bernal (relating to installment payments of ad valorem taxes imposed on residence homesteads in certain counties.), **Committee Report 1st House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend Chapter 31, of the Tax Code, related to property tax collections, to permit an individual who has a residence homestead exemption for property located in Bexar County to pay property taxes on that homestead in four equal installments. These individuals would be allowed to pay installments without penalty and interest if the first installment is paid before the delinquency date and is accompanied with notice the individual will pay the remaining taxes in three equal installments. Currently, these installment plans are only available to individuals who qualify for a homestead exemption who are disabled, age 65 or older or qualified as a disabled veteran or unmarried surviving spouse of a disabled veteran under Tax Code Section 11.132 or 11.22.

The bill would affect the timing but not the amount of property taxes paid, and the final installment would be paid in the same fiscal year required under current law except in rare cases. Consequently, the bill would not create a significant cost to the state or local taxing units. The bill would only apply to property taxes collected on property located in Bexar County.

The bill would take effect January 1, 2022.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

The bill would only apply to property taxes collected on property located in Bexar County.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, KK, SD, BRI