

1-1 By: Bettencourt, et al. S.B. No. 1486  
1-2 (In the Senate - Filed March 2, 2023; March 16, 2023, read  
1-3 first time and referred to Committee on Local Government;  
1-4 March 29, 2023, reported favorably by the following vote: Yeas 7,  
1-5 Nays 0; March 29, 2023, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11			X	
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16			X	

1-17 A BILL TO BE ENTITLED  
1-18 AN ACT

1-19 relating to the electronic payment of ad valorem taxes; authorizing  
1-20 a fee.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Section 31.06, Tax Code, is amended by amending  
1-23 Subsections (a) and (c) and adding Subsection (a-1) to read as  
1-24 follows:

1-25 (a) In this section, "electronic payment" has the meaning  
1-26 assigned by Section 31.062.

1-27 (a-1) Except as provided by Section 31.061, taxes are  
1-28 payable only as provided by this section. Except as provided by  
1-29 Subsection (e), a collector shall accept United States currency or  
1-30 a check or money order in payment of taxes and shall accept an  
1-31 electronic payment of taxes made in the manner provided by Section  
1-32 31.062 [payment by credit card or electronic funds transfer].

1-33 (c) If a tax is paid by an electronic payment [credit card],  
1-34 the collector may collect a fee for processing the payment. The  
1-35 collector shall set the fee in an amount that is reasonably related  
1-36 to the expense incurred by the collector or taxing unit in  
1-37 processing the payment [by credit card], not to exceed five percent  
1-38 of the amount of taxes and any penalties or interest being paid.  
1-39 The fee is in addition to the amount of taxes, penalties, or  
1-40 interest.

1-41 SECTION 2. Chapter 31, Tax Code, is amended by adding  
1-42 Section 31.062 to read as follows:

1-43 Sec. 31.062. ELECTRONIC TAX PAYMENTS. (a) In this section,  
1-44 "electronic payment" means a payment made by credit card, debit  
1-45 card, electronic check, electronic funds transfer, wire transfer,  
1-46 or automated clearinghouse withdrawal.

1-47 (b) Notwithstanding any other provision of this title, a  
1-48 collector shall accept an electronic payment of taxes from a  
1-49 property owner or a person designated by a property owner under  
1-50 Section 1.111(f) if the property owner or person elects to make  
1-51 electronic payments under Subsection (c) of this section.

1-52 (c) A collector shall establish a procedure that allows a  
1-53 property owner or a person designated by a property owner under  
1-54 Section 1.111(f) to make the election described by Subsection (b)  
1-55 of this section. The procedure must specify the manner by which the  
1-56 property owner or the person designated by the owner will make  
1-57 electronic payments of taxes and the method that will be used to  
1-58 confirm the receipt by the collector of an electronic payment.

1-59 (d) An election under Subsection (c) of this section by a  
1-60 property owner or a person designated by a property owner under  
1-61 Section 1.111(f) remains in effect until rescinded in writing by

2-1 the property owner or person designated by the owner.  
 2-2 (e) A collector may require a property owner or a person  
 2-3 designated by a property owner under Section 1.111(f) who elects to  
 2-4 make electronic payments of taxes to provide:  
 2-5 (1) an e-mail address;  
 2-6 (2) a financial account number; and  
 2-7 (3) any other information the collector determines is  
 2-8 necessary to properly receive, process, and confirm the receipt of  
 2-9 an electronic payment made by the property owner or the person  
 2-10 designated by the owner.  
 2-11 (f) A collector shall prominently display the information  
 2-12 necessary to make an electronic payment of taxes to the collector on  
 2-13 the collector's Internet website if the collector maintains an  
 2-14 Internet website.  
 2-15 (g) An electronic payment of taxes by a property owner or a  
 2-16 person designated by a property owner under Section 1.111(f) to a  
 2-17 collector is timely if the payment is:  
 2-18 (1) addressed to the correct delivery portal or  
 2-19 electronic delivery system; and  
 2-20 (2) sent or uploaded on or before the date on which the  
 2-21 payment is due.  
 2-22 (h) A collector shall notify a property owner or a person  
 2-23 designated by a property owner under Section 1.111(f) who elects to  
 2-24 make electronic payments of taxes under this section and who has not  
 2-25 rescinded the election of a change in the procedure for making an  
 2-26 electronic payment to the collector, including a change relating to  
 2-27 the collector's e-mail address or the collector's routing or  
 2-28 account number to which a payment must be made, not later than the  
 2-29 earlier of:  
 2-30 (1) the 45th day after the date the change is made; or  
 2-31 (2) the 60th day before the date the taxes are due.  
 2-32 (i) If a collector fails to provide timely notice of a  
 2-33 change in procedure under Subsection (h) of this section to a  
 2-34 property owner or a person designated by a property owner under  
 2-35 Section 1.111(f), an electronic payment of taxes made to the  
 2-36 collector by the property owner or person designated by the owner is  
 2-37 considered to be timely delivered until the notice is received.  
 2-38 (j) An electronic signature that is included on or with an  
 2-39 electronic payment of taxes made under this section is considered  
 2-40 to be a digital signature for purposes of Section 2054.060,  
 2-41 Government Code, and that section applies to the electronic  
 2-42 signature.  
 2-43 (k) A collector shall immediately confirm the receipt of an  
 2-44 electronic payment of taxes made to the collector by a property  
 2-45 owner or a person designated by a property owner under Section  
 2-46 1.111(f).  
 2-47 (l) The comptroller shall adopt rules for the  
 2-48 implementation of this section.  
 2-49 SECTION 3. Section 33.011(h), Tax Code, is amended to read  
 2-50 as follows:  
 2-51 (h) The governing body of a taxing unit shall waive  
 2-52 penalties and interest on a delinquent tax if:  
 2-53 (1) the taxpayer has elected to make electronic  
 2-54 payments of taxes under Section 31.062 [~~tax is payable by~~  
 2-55 electronic funds transfer under an agreement entered into under  
 2-56 Section 31.06(a)]; and  
 2-57 (2) the taxpayer submits evidence sufficient to show  
 2-58 that:  
 2-59 (A) the taxpayer attempted to pay the tax by  
 2-60 electronic payment [~~funds transfer~~] in the proper manner before the  
 2-61 delinquency date;  
 2-62 (B) the taxpayer's failure to pay the tax before  
 2-63 the delinquency date was caused by an error in the transmission of  
 2-64 the payment [~~funds~~]; and  
 2-65 (C) the tax was properly paid by electronic  
 2-66 payment [~~funds transfer~~] or otherwise not later than the 21st day  
 2-67 after the date the taxpayer knew or should have known of the  
 2-68 delinquency.  
 2-69 SECTION 4. The changes in law made by this Act apply only to

3-1 a tax year that begins on or after the effective date of this Act.  
 3-2 SECTION 5. (a) The officer or employee responsible for  
 3-3 collecting property taxes for a taxing unit located wholly or  
 3-4 primarily in a county with a population of 120,000 or more shall  
 3-5 comply with Section 31.062, Tax Code, as added by this Act,  
 3-6 beginning with the 2024 tax year.  
 3-7 (b) The officer or employee responsible for collecting  
 3-8 property taxes for a taxing unit located wholly or primarily in a  
 3-9 county with a population of less than 120,000 shall comply with  
 3-10 Section 31.062, Tax Code, as added by this Act, beginning with the  
 3-11 2025 tax year.  
 3-12 SECTION 6. This Act takes effect January 1, 2024.

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