

By: Muñoz

H.B. No. 242

A BILL TO BE ENTITLED

AN ACT

relating to the collection of delinquent ad valorem taxes.

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

SECTION 1. Chapter 31, Tax Code, is amended by adding Section 31.074 to read as follows:

Sec. 31.074. APPLICATION OF TAX PAYMENTS. The collector of a taxing unit shall apply a payment made by a property owner to the amount of tax due before applying any portion of the payment to a penalty or interest owed by the property owner, unless the property owner provides written instructions for a different application of the payment.

SECTION 2. Section 33.01, Tax Code, is amended by adding Subsection (g) to read as follows:

(g) Notwithstanding any other provision of law, or the total amount of penalties and interest actually incurred or accrued on a delinquent tax, the total amount of penalties and interest that a person is liable for may not exceed the amount equal to five percent of the delinquent tax.

SECTION 3. Section 31.074, Tax Code, as added by this Act, applies only to a payment received on or after the effective date of this Act.

SECTION 4. This Act takes effect on the 91st day after the last day of the legislative session.