

**BILL ANALYSIS**

H.B. 2742  
By: Vasut  
Ways & Means  
Committee Report (Unamended)

**BACKGROUND AND PURPOSE**

Under state law, the governing body of a taxing unit that collects its own taxes may allow a person who pays one-half of the unit's taxes before December 1 to pay the remaining one-half of the taxes before July 1 without incurring penalty and interest. The bill author has informed the committee that sometimes there are delays that affect when property tax bills are mailed, which may result in a small, or even nonexistent, time frame between a property owner receiving the tax bill and the December 1 deadline to pay the first half of that bill. H.B. 2742 seeks to provide applicable property owners additional time to pay tax bills that were mailed after November 30.

**CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

**RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

**ANALYSIS**

H.B. 2742 amends the Tax Code to require a person, with respect to a taxing unit that has adopted the split-payment option for the payment of property taxes and mails its tax bills after November 30, to pay the first one-half of the taxing unit's taxes before the first day of the next month following the first full calendar month following the date the tax bills are mailed. The bill reflects that payment deadline in the provision establishing that paying through a split-payment method by the applicable deadline complies with the requirement to pay under protest taxes on property subject to appeal by judicial review before the delinquency date to avoid forfeiting the right to proceed to a final determination of the appeal.

H.B. 2742 applies only to property taxes imposed for a property tax year that begins on or after the bill's effective date.

**EFFECTIVE DATE**

January 1, 2026.