

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION**

**April 17, 2025**

**TO:** Honorable Paul Bettencourt, Chair, Senate Committee on Local Government

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: SB1531** by Hinojosa, Juan "Chuy" (relating to the electronic payment of ad valorem taxes; authorizing a fee.), **Committee Report 1st House, Substituted**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would define electronic payments and require each tax collector to establish a procedure to allow a property owner or their representative to pay their property taxes with an electronic payment and receive confirmation of that electronic payment.

The county tax assessor-collector must prominently display in their Internet website information necessary to make an electronic payment of taxes. An electronic payment is considered timely if the electronic payment is made on or before the date on which the payment is due.

The bill would also include an electronic payment as an acceptable method of payment and authorize the tax collector to collect a fee for processing the electronic payment.

A collector for a taxing unit located wholly or primarily in a county with a population of 120,00 or more is required to accept electronic payments beginning with the 2026 tax year. A collector for a taxing unit located wholly or primarily in a county with a population of less than 120,000 is required to accept electronic payments beginning with the 2027 tax year.

**Local Government Impact**

There could be costs to county tax assessor-collectors associated with any system updates required to accept electronic payments. Processing fee revenue could offset some portion of the costs of implementation.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JMc, SZ, SD, BRI