

SUBJECT: Deferred collection of delinquent ad valorem taxes from disabled people

COMMITTEE: Ways and Means — favorable, with amendment

VOTE: 7 ayes — Oliveira, McCall, Bonnen, Y. Davis, Keffer, Ramsay, Ritter
0 nays
4 absent — Craddick, Hartnett, Heflin, Hilbert

SENATE VOTE: On final passage, May 3 — 30-0, on Local and Uncontested Calendar

WITNESSES: (*On House companion bill, HB 3364:*)
For — Michael A. Amezcuita, Cameron Appraisal District and Texas Association of Appraisal Districts
Against — None

BACKGROUND: Under Tax Code, sec. 33.06, a person 65 years of age or older is entitled to defer or abate a suit to collect a delinquent tax on a residence homestead that the person owns and occupies. An agreement to defer or abate a suit allows penalties to be waived while taxes continue to accrue on the property. The Tax Code does not extend this entitlement to disabled people.

Sec. 11.13 entitles a person who is disabled or is 65 or older to an exemption of \$10,000 of the appraised value of a residence homestead for purposes of school district property taxes. A taxing unit may grant an additional partial exemption of at least \$3,000 for a disabled or elderly person.

DIGEST: SB 1542, as amended, would allow a disabled person to defer or abate a suit to collect a delinquent tax on a residence homestead that the disabled person owned and occupied. A person would be considered disabled only if the person was receiving federal social security benefits based on disability.

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The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2001.

NOTES:

The committee amendment to the Senate engrossed version would revise portions of the Tax Code that relate to the effective date and application date for tax exemptions and to the method for calculating taxes on the residence homestead of an elderly person to apply these provisions to disabled persons as well.

The House companion bill, HB 3364 by Menendez, passed the House on the Local, Consent, and Resolutions Calendar on May 8. The Senate Intergovernmental Relations Committee reported the bill favorably, without amendment, on May 11 and recommended it for the Local and Uncontested Calendar. HB 3364 does not include the conforming amendments added to SB 1542.