

SUBJECT: Allowing property-tax bills to be forwarded by the U.S. Postal Service

COMMITTEE: Ways and Means — favorable, without amendment

VOTE: 10 ayes — Oliveira, Otto, Bohac, Hartnett, Hilderbran, C. Howard, P. King, Paxton, Taylor, Villarreal

0 nays

1 absent — Peña

WITNESSES: For — Rovin Garrett, Tax Assessor-Collectors Association of Texas; Cheryl Johnson, Galveston County Tax Office; (*Registered, but did not testify*: Cindy Segovia, Bexar County Commissioners Court; Sheryl Swift, Galveston County Tax Office)

Against — None

BACKGROUND: Under Tax Code, sec. 31.01(a), the exterior of a property-tax bill must show the return address of the taxing unit and must contain, in all capital letters, “RETURN SERVICE REQUESTED,” or another appropriate statement directing the U.S. Postal Service to return the tax bill if it is not deliverable as addressed.

DIGEST: HB 653 would amend the Tax Code, sec. 31.01(a), to make the printing of “RETURN SERVICE REQUESTED” on the envelope of a property-tax bill optional for tax assessor-collectors.

This bill would take effect on September 1, 2009.

SUPPORTERS SAY: HB 653 would allow a tax assessor-collector either to continue to request return service, or to choose to direct that the property-tax bill be forwarded by removing the return service request. HB 653 would result in millions of dollars in savings to counties because allowing the initial mailing to be forwarded would reduce the number of subsequent attempts a tax assessor-collector would need to make to reach taxpayers.

Galveston County had over 7,000 tax statements returned as undeliverable because of displacement caused by hurricanes in 2008. Current law allows reminder notices to be forwarded by the U.S. Postal Service; the day after these forwarded reminders arrived, 500 taxpayers showed up to pay their property-tax bills. Mail forwarding is a valuable tool for reaching taxpayers who forward their address with the U.S. Postal Service, but may not remember to inform the local tax office. HB 653 would allow tax assessor-collectors to utilize mail-forwarding on the initial tax bills they send out, resulting in faster contact with taxpayers and in fewer reminder notices being sent out.

**OPPONENTS
SAY:**

No apparent opposition.

NOTES:

The companion bill, SB 562 by Jackson, passed the Senate by 31-0 on the Local and Consent Calendar on April 9 and was reported favorably, without amendment, by the House Ways and Means Committee on May 4.