

SUBJECT: Waiving penalties, interest on past-due taxes on mortgaged property

COMMITTEE: Ways and Means — favorable, without amendment

VOTE: 8 ayes — Burrows, Guillen, Bohac, Murphy, Noble, E. Rodriguez,
Shaheen, Wray

0 nays

3 absent — Cole, Martinez Fischer, Sanford

WITNESSES: For — Cheryl Johnson, Galveston County Tax Office; (*Registered, but did not testify*: Lance Lowry, Texas Association of Taxpayers; Monty Wynn, Texas Municipal League; Aryn James, Travis County Commissioners Court; Calvin Tillman; Al Zito)

Against — None

DIGEST: HB 1885 would allow a taxing unit to waive penalties and interest on a delinquent property tax if:

- the property was subject to a mortgage that did not require the property owner to fund an escrow account for payment of property taxes;
- the tax bill was delivered by electronic means to the mortgagee, but the mortgagee failed to mail a copy to the property owner as required by law; and
- the taxpayer paid the tax within 21 days of the date the taxpayer knew or should have known of the delinquency.

The bill would take effect January 1, 2020, and would apply only to penalties and interest on a property tax that became delinquent on or after that date.