

**SUBJECT:** Amending the calculation of interest rates on certain tax refunds

**COMMITTEE:** Ways and Means — favorable, without amendment

**VOTE:** 9 ayes — Meyer, Thierry, Button, Cole, Murphy, Noble, Rodriguez, Sanford, Shine

0 nays

2 absent — Guerra, Martinez Fischer

**WITNESSES:** For — None

Against — None

On — (*Registered, but did not testify*: Karey Barton, Comptroller of Public Accounts)

**BACKGROUND:** Under Tax Code sec. 111.064, for certain tax refunds, interest may be calculated at the annual rate earned on deposits in the state treasury during December of the previous calendar year, as determined by the comptroller.

**DIGEST:** HB 2530 would provide that interest on tax refunds could be calculated at the annual rate earned on deposits in the state treasury during November, instead of December, of the previous year.

The bill would take effect September 1, 2021.

**SUPPORTERS SAY:** HB 2530 would allow the comptroller to calculate the interest rate on certain tax refunds and overpayments using the average rate for the month of November instead of December. This would ensure that the comptroller had enough time to update internal systems with the new interest rate on January 1 of each year so that taxpayers received the appropriate amount of interest on tax refunds.

CRITICS  
SAY:

No concerns identified.