

BILL ANALYSIS

Senate Research Center
76R4491 SMH-D

S.B. 1462
By: Cain
Finance
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As Filed

DIGEST

Currently, under Texas law, the courts have ruled that the statutory law requiring a person to render, for the purposes of ad valorem taxation, all business personal property was merely directory not mandatory. This bill would provide a tax exemption on business personal property rendered at the appraisal district and would create incentives for property owners to render all business personal property.

PURPOSE

As proposed, S.B. 1462 provides a tax exemption on business personal property rendered at the appraisal district and creates incentives for property owners to render all business personal property.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 11B, Tax Code, by adding Section 11.147, as follows:

Sec. 11.147. INCOME-PRODUCING TANGIBLE PERSONAL PROPERTY RENDERED FOR TAXATION. Sets forth the tangible personal property for which a person is entitled to an exemption from taxation by each taxing unit of \$10,000 of the total appraised value.

SECTION 2. Amends Section 11.43(a), Tax Code, to make conforming and nonsubstantive changes.

SECTION 3. Amends Chapter 22B, Tax Code, by adding Section 22.231, as follows:

Sec. 22.231. REQUIREMENT TO DELIVER RENDITION STATEMENT OR PROPERTY REPORT; INJUNCTION. Provides that a requirement under this chapter to deliver a rendition statement or property report to a chief appraiser is mandatory. Authorizes the chief appraiser to bring suit for an injunction requiring the person to deliver the required statement or report.

SECTION 4. Amends Section 41.43, Tax Code, by amending Subsection (a) and adding Subsection (d), to provide that if the property owner failed to timely deliver a rendition statement or property report for a property that is the subject of the protest as required by Chapter 22, the property owner has the burden of establishing the value of the property by a preponderance of the evidence at the hearing, and if the property owner fails to meet the standard provided by Subdivision (1), the protest shall be determined in favor of the appraisal district. Makes conforming and nonsubstantive changes.

SECTION 5. Amends Section 42.29, Tax Code, by adding Subsection (c), to prohibit a property owner from being awarded attorney's fees if the property owner failed to timely deliver a rendition statement or property report as required by Chapter 22, notwithstanding Subsection (a).

SECTION 6. Effective date: January 1, 2000. Makes application of this Act prospective. Provides that SECTIONS 1 and 2 of this Act take effect only if the constitutional amendment to authorize tax incentives to encourage the voluntary rendition of commercial tangible personal property for taxation is approved by the voters.

SECTION 7. Emergency clause.