

## **BILL ANALYSIS**

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H.B. 3347  
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Engrossed

### **DIGEST AND PURPOSE**

Under current law, a taxing unit engaged in the collection of delinquent taxes is not allowed access to rendition statements made by the owners of the property on which the taxes are delinquent. This access may give both taxpayers and tax collectors an opportunity to resolve collection issues without the added expense of litigation. In addition, current law may not allow every defendant who has an interest in the property to be served with citation. Out-of-state lienholders may lose their interests in property subject to tax foreclosure. H.B. 3347 authorizes a taxing unit or its representative in delinquent property tax cases to access the rendition statement made by the owners of the property and extends jurisdiction to a defendant who owns, has, or claims any interest in the property which is the subject of the suit.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 22.27(b), Tax Code, to authorize information made confidential by this section to be disclosed to a taxing unit or its legal representative that is engaged in the collection of delinquent taxes on the property that is the subject of the information. Makes nonsubstantive changes.

SECTION 2. Amends Section 33.41, Tax Code, by adding Subsections (d), (e), (f), (g), and (h), as follows:

(d) Requires a court, in a suit brought under this section, to grant a taxing unit injunctive relief on a showing that the personal property on which the taxing unit seeks to foreclose a tax lien is about to be: removed from the county in which the tax was imposed; or transferred to another person and the other person is not a buyer in the ordinary course of business, as defined by Section 1.201, Business & Commerce Code.

(e) Requires injunctive relief granted under Subsection (d) to: prohibit alienation or dissipation of the property; order that proceeds from the sale of the property in an amount equal to the taxes claimed to be due be paid into the court registry; or order any other relief to ensure the payment of the taxes owed.

(f) Authorizes the taxing unit, in a petition for relief under Subsection (d), to also seek to secure the payment of taxes for a current tax year that are not delinquent and requires the taxing unit to estimate the amount due if those taxes are not yet assessed.

(g) Provides that the tax lien attaches to any amounts paid into the court's registry with the same priority as for the property on which taxes are owed.

(h) Prohibits a bond from being required of a taxing unit seeking injunctive relief under this

section.

SECTION 3. Amends Section 17.091(a), Civil Practice and Remedies Code, to delete a reference to the first day of a tax year for which taxes have not been paid, and make nonsubstantive changes.

SECTION 4. Provides that Section 33.41, Tax Code, and Section 17.091(a), Civil Practice and Remedies Code, as amended by this Act, apply only to a suit that is filed on or after the effective date of this Act. Provides that a suit filed before the effective date of this Act is governed by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 5. Effective date: September 1, 2001.