

BILL ANALYSIS

Senate Research Center
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H.B. 843
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law requires a tax assessor to prepare and mail property tax bills each year to property owners and their agents, state agencies and institutions, and mortgagees of a property. As a consequence, a tax office must print each tax bill. This printing requires using tremendous volumes of paper, which is costly and has a negative impact on the environment. Each tax bill must also be mailed, which adds significant costs for postage.

H.B. 843 provides a tax office with the discretion to offer a paperless, electronic tax bill to a taxpayer who has opted to receive this bill through such means. A tax office should have the discretion to offer such a service, depending on resources, and a taxpayer should have the option to decide whether to continue to receive a paper tax bill or to receive the bill via electronic delivery. By providing a paperless option, a tax office is able to save natural resources and reduce costs. Additionally, a taxpayer is provided with an option for receipt of the tax bill that is both efficient and environmentally friendly.

H.B. 843 amends current law relating to the use of electronic means for the delivery of ad valorem tax bills to certain property owners and agents.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the comptroller of public accounts in SECTION 2 (Section 31.01, Tax Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1.07(a), Tax Code, to authorize an official or agency required by this title to deliver a notice to a property owner to deliver the notice by regular first-class mail, with postage prepaid, unless this section or another provision of this title requires or authorizes a different method of delivery or the parties agree that the notice is required to be delivered as provided by Section 1.085 (Communication in Electronic Format).

SECTION 2. Amends Section 31.01, Tax Code, by amending Subsections (a), (g), (i-1), and (j) and adding Subsections (k), (l), and (m), as follows:

(a) Requires the assessor for each taxing unit to prepare and mail a tax bill to each person in whose name the property is listed on the tax roll and to the person's authorized agent, except as provided by Subsections (f) (relating to authorizing a collector to provide that a tax bill not be sent under certain circumstances), (i-1), and (k). Makes nonsubstantive changes.

(g) Provides that, except as provided by Subsection (f), failure to send or receive the tax bill required by this section, including a tax bill that has been requested to be sent by electronic means under Subsection (k), does not affect the validity of the tax, penalty, or interest, the due date, the existence of a tax lien, or any procedure instituted to collect a tax. Makes a nonsubstantive change.

(i-1) Provides that, if an assessor mails a tax bill under Subsection (a) or delivers a tax bill by electronic means under Subsection (k) to a mortgagee of a property, the assessor is

not required to mail or deliver by electronic means a copy of the bill to any mortgagor under the mortgage or to the mortgagor's authorized agent.

(j) Requires a mortgagee, if a tax bill is mailed under Subsection (a) or delivered by electronic means under Subsection (k) to a mortgagee of a property, to mail a copy of the bill to the owner of the property not more than 30 days following the mortgagee's receipt of the bill. Makes a nonsubstantive change.

(k) Requires the assessor for a taxing unit to deliver a tax bill as required by this section by electronic means to a person in whose name a property is listed on the tax roll and to the person's authorized agent if the assessor has implemented procedures to permit delivery of a bill by electronic means and on or before September 15 the person or the person's authorized agent submits a written request to the assessor. Requires that the request include the requestor's name, physical address, and electronic mail address, the property owner's name and physical address if different than that of the requestor, and the account number of the property if the property is assigned an account number. Provides that an assessor who delivers a tax bill electronically under this subsection is not required to mail the same bill under Subsection (a).

(l) Requires the comptroller of public accounts (comptroller) by rule to prescribe acceptable media, formats, content, and methods for the delivery of tax bills by electronic means under Subsection (k).

(m) Authorizes the assessor for a taxing unit to select the medium, format, content, and method to be used for the delivery of a tax bill by electronic means from among those prescribed by the comptroller under Subsection (l).

SECTION 3. Effective date: September 1, 2011.