

## **BILL ANALYSIS**

Senate Research Center  
83R2074 CJC-F

S.B. 1657  
By: Williams  
Finance  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Current law requires the governing body of a taxing unit to waive penalties and authorizes the governing body to provide for the waiver of interest on a delinquent tax if an act or omission of an officer, employee, or agent of the taxing unit or the appraisal district in which the taxing unit participates caused or resulted in the taxpayer's failure to pay the tax before delinquency and if the tax is paid within a specified period.

At times, a taxing unit or appraisal district fails to give notice to a current owner or lender of subsequent assessment, which creates a delinquency to the property owner. In addition, when the property owner is not the original taxpayer, the property owner rarely receives notice within the specified period to seek a waiver of penalties and interest and that a new owner often may not receive any notice at all. S.B. 1657 seeks to advance tax equity for new property owners and ensure that taxing authorities receive amounts owed.

As proposed, S.B. 1657 amends current law relating to the waiver of penalties and interest on certain delinquent ad valorem taxes.

### **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 33.011, Tax Code, by amending Subsection (d) and adding Subsections (i) and (j), as follows:

(d) Requires that a request for a waiver of penalties and interest under Subsection (i) be made before the 181st day after the date the property owner making the request receives notice of the delinquent tax.

(i) Authorizes the governing body of a taxing unit, subject to Subsection (j), to waive penalties and interest on a delinquent tax for any tax year preceding the tax year in which the property owner acquired the property if:

(1) the property owner or another person liable for the tax pays the tax not later than the 181st day after the date the property owner receives notice of the delinquent tax; and

(2) the delinquency is the result of taxes imposed on omitted property entered in the appraisal records as provided by Section 25.21 (Omitted Property), or erroneously exempted property or appraised value added to the appraisal roll as provided by Section 11.43(i) (relating to requiring the chief appraiser to add the property or appraised value that was erroneously exempted for each year to the appraisal roll for other property that escapes taxation).

(j) Provides that a waiver of penalties and interest under Subsection (i) applies only to the tax lien on the property and does not relieve the person who owned or acquired the

property on January 1 of the year for which the delinquent tax was imposed from any personal obligation for the accrued penalties and interest on the tax.

SECTION 2. Effective date: September 1, 2013.