

BILL ANALYSIS

Senate Research Center

H.B. 626
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Finance
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law stipulates that late applications for residence homestead exemptions, as well as late applications for the partially or totally disabled veteran exemptions, are due one year after the delinquency date of the taxes for the year the exemption is claimed. Interested parties contend that, in some instances, documentation of a disability, including a veteran's disability, may take longer than one year to establish and certain individuals miss the opportunity to apply for these exemptions. Certain late applications, including late applications for religious organization exemptions, school exemptions, charitable organization exemptions, and veterans organization exemptions, are due five years after the year for which the exemption is claimed.

H.B. 626 seeks to extend the deadline for consideration of a late application for homestead exemptions from one year to two years. The bill would also extend the deadline for a late application for an exemption for a partially or totally disabled veteran from one year to five years after the delinquency date, bringing these exemptions in line with certain other exemptions.

H.B. 626 amends current law relating to late applications for certain exemptions from ad valorem taxation.

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 11.431, Tax Code, as follows:

Sec. 11.431. LATE APPLICATION FOR HOMESTEAD EXEMPTION. (a) Requires the chief appraiser to accept and approve or deny an application for a residence homestead exemption, including certain exemptions related to disabled veterans or members of the United States armed services killed in action or their surviving spouses, after the deadline for filing it has passed if it is filed not later than two years, rather than not later than one year, after the delinquency date for the taxes on the homestead.

(b) Requires the chief appraiser to make a certain required notification related to the approval of a late application not later than the 30th day after the date the late application is approved. Requires the collector to pay a certain refund not later than the 60th day after the date the chief appraiser notifies the collector of the approval of the exemption.

SECTION 2. Amends Section 11.439, Tax Code, as follows:

Sec. 11.439. LATE APPLICATION FOR DISABLED VETERANS EXEMPTION. (a) Requires the chief appraiser to accept and approve or deny certain applications for an exemption after a certain filing deadline if the application is filed not later than five years, rather than not later than one year, after the delinquency date for the taxes on the property.

(b) Requires the chief appraiser to make a certain notification related to the approval of a late application not later than the 30th day after the date the late application is approved. Deletes existing text providing that no additional interest is due on the amount refunded.

SECTION 3. Provides that the changes in law made by this Act to Sections 11.431 and 11.439, Tax Code, apply only to an application for an exemption filed under Section 11.431 or 11.439, Tax Code, for the 2016 tax year or a later tax year.

SECTION 4. Effective date: September 1, 2017.