

1-1 By: Birdwell S.B. No. 742
 1-2 (In the Senate - Filed February 23, 2021; March 11, 2021,
 1-3 read first time and referred to Committee on Finance;
 1-4 March 30, 2021, reported favorably by the following vote: Yeas 15,
 1-5 Nays 0; March 30, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Nelson	X			
1-8 Lucio	X			
1-9 Bettencourt	X			
1-10 Buckingham	X			
1-11 Campbell	X			
1-12 Creighton	X			
1-13 Hancock	X			
1-14 Huffman	X			
1-15 Kolkhorst	X			
1-16 Nichols	X			
1-17 Perry	X			
1-18 Schwertner	X			
1-19 Taylor	X			
1-20 West	X			
1-21 Whitmire	X			

1-23 A BILL TO BE ENTITLED
 1-24 AN ACT

1-25 relating to installment payments of ad valorem taxes on property in
 1-26 a disaster area.

1-27 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-28 SECTION 1. The heading to Section 31.032, Tax Code, is
 1-29 amended to read as follows:

1-30 Sec. 31.032. INSTALLMENT PAYMENTS OF TAXES ON PROPERTY IN
 1-31 DISASTER AREA THAT HAS BEEN DAMAGED AS A RESULT OF DISASTER.

1-32 SECTION 2. Chapter 31, Tax Code, is amended by adding
 1-33 Section 31.033 to read as follows:

1-34 Sec. 31.033. INSTALLMENT PAYMENTS OF TAXES ON PROPERTY IN
 1-35 DISASTER AREA THAT HAS NOT BEEN DAMAGED AS A RESULT OF DISASTER.

1-36 (a) In this section, "disaster" and "disaster area" have the
 1-37 meanings assigned by Section 31.032(g).

1-38 (b) This section applies only to:

1-39 (1) real property that:

1-40 (A) is owned or leased by a business entity that
 1-41 had not more than the amount calculated as provided by Section
 1-42 31.032(h) in gross receipts in the entity's most recent federal tax
 1-43 year or state franchise tax annual period, according to the
 1-44 applicable federal income tax return or state franchise tax report
 1-45 of the entity;

1-46 (B) is located in a disaster area; and

1-47 (C) has not been damaged as a direct result of the
 1-48 disaster;

1-49 (2) tangible personal property that is owned or leased
 1-50 by a business entity described by Subdivision (1)(A); and

1-51 (3) taxes that are imposed on the property by a taxing
 1-52 unit before the first anniversary of the disaster.

1-53 (c) The governing body of a taxing unit may authorize a
 1-54 person to pay the taxing unit's taxes imposed on property that the
 1-55 person owns in installments. If the governing body of a taxing unit
 1-56 adopts the installment-payment option under this subsection,
 1-57 Sections 31.032(b), (b-1), (c), and (d) apply to the payment by a
 1-58 person of the taxing unit's taxes imposed on property that the
 1-59 person owns in the same manner as those subsections apply to the
 1-60 payment of taxes imposed on property to which Section 31.032
 1-61 applies.

2-1 (d) The comptroller shall adopt rules to implement this
2-2 section.

2-3 SECTION 3. Section 33.08(b), Tax Code, is amended to read as
2-4 follows:

2-5 (b) The governing body of the taxing unit or appraisal
2-6 district, in the manner required by law for official action, may
2-7 provide that taxes that become delinquent on or after June 1 under
2-8 Section 26.075(j), 26.15(e), 31.03, 31.031, 31.032, 31.033, 31.04,
2-9 or 42.42 incur an additional penalty to defray costs of collection.
2-10 The amount of the penalty may not exceed the amount of the
2-11 compensation specified in the applicable contract with an attorney
2-12 under Section 6.30 to be paid in connection with the collection of
2-13 the delinquent taxes.

2-14 SECTION 4. This Act takes effect immediately if it receives
2-15 a vote of two-thirds of all the members elected to each house, as
2-16 provided by Section 39, Article III, Texas Constitution. If this
2-17 Act does not receive the vote necessary for immediate effect, this
2-18 Act takes effect September 1, 2021.

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