

By: Shine

H.B. No. 4512

A BILL TO BE ENTITLED

AN ACT

relating to the entitlement of a property owner to receive a discount for making an early payment of the ad valorem taxes on the owner's property.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 31.01(c), Tax Code, is amended to read as follows:

(c) The tax bill or a separate statement accompanying the tax bill shall:

- (1) identify the property subject to the tax;
- (2) state the appraised value, assessed value, and taxable value of the property;
- (3) if the property is land appraised as provided by Subchapter C, D, E, or H, Chapter 23, state the market value and the taxable value for purposes of deferred or additional taxation as provided by Section 23.46, 23.55, 23.76, or 23.9807, as applicable;
- (4) state the assessment ratio for the taxing unit;
- (5) state the type and amount of any partial exemption applicable to the property, indicating whether it applies to appraised or assessed value;
- (6) state the total tax rate for the taxing unit;
- (7) state the amount of tax due, the due date, and the delinquency date;
- (8) explain the payment option [~~and discounts~~]

provided by Section [~~Sections~~] 31.03 [~~and 31.05,~~] if available to the taxing unit's taxpayers;

(8-a) explain the discounts provided by Section 31.05 [~~,~~] and state the date on which each of the discount periods provided by that section [~~Section 31.05~~] concludes [~~, if the discounts are available~~];

(9) state the rates of penalty and interest imposed for delinquent payment of the tax;

(10) include the name and telephone number of the assessor for the taxing unit and, if different, of the collector for the taxing unit;

(11) for real property, state for the current tax year and each of the preceding five tax years:

(A) the appraised value and taxable value of the property;

(B) the total tax rate for the taxing unit;

(C) the amount of taxes imposed on the property by the taxing unit; and

(D) the difference, expressed as a percent increase or decrease, as applicable, in the amount of taxes imposed on the property by the taxing unit compared to the amount imposed for the preceding tax year; and

(12) for real property, state the differences, expressed as a percent increase or decrease, as applicable, in the following for the current tax year as compared to the fifth tax year before that tax year:

(A) the appraised value and taxable value of the

1 property;

2 (B) the total tax rate for the taxing unit; and

3 (C) the amount of taxes imposed on the property  
4 by the taxing unit.

5 SECTION 2. Sections 31.04(c), (d), and (e), Tax Code, are  
6 amended to read as follows:

7 (c) The ~~[A]~~ payment option provided by Section 31.03 ~~[of~~  
8 ~~this code or a discount adopted under Section 31.05(b) of this code]~~  
9 does not apply to taxes that are calculated too late for it to be  
10 available.

11 (d) If a taxing unit mails its tax bills after September 30  
12 ~~[and adopts the discounts provided by Section 31.05(c) of this~~  
13 ~~code]~~, the delinquency date is postponed to the first day of the  
14 next month following the fourth full calendar month following the  
15 date the tax bills were mailed.

16 (e) If the delinquency date for a tax is postponed under  
17 Subsection ~~[(a) or]~~ (a-1), that postponed delinquency date is the  
18 date on which penalties and interest begin to be incurred on the tax  
19 as provided by Section 33.01.

20 SECTION 3. Section 31.05(c), Tax Code, is amended to read as  
21 follows:

22 (c) A person is entitled to ~~[taxing unit may adopt]~~ the  
23 following discounts on the taxes the person pays to a taxing unit  
24 ~~[to apply when it mails its tax bills after September 30]:~~

25 (1) three percent if the tax is paid before or during  
26 the next full calendar month following the date on which the tax  
27 bills are ~~[were]~~ mailed;

1           (2) two percent if the tax is paid during the second  
2 full calendar month following the date on which the tax bills are  
3 ~~[were]~~ mailed; and

4           (3) one percent if the tax is paid during the third  
5 full calendar month following the date on which the tax bills are  
6 ~~[were]~~ mailed.

7           SECTION 4. Sections 31.07(b), (c), and (d), Tax Code, are  
8 amended to read as follows:

9           (b) A collector shall accept payment of the tax imposed on a  
10 property by a taxing unit ~~[that has adopted the discounts]~~ under  
11 Section 31.05 ~~[of this code]~~ separately from taxes imposed on that  
12 property by other taxing units using the same collector, even if the  
13 taxes are included in the same bill. The collector may adopt a  
14 policy of accepting separate payments in other circumstances. If  
15 the tax paid is included in the same bill as other taxes that are not  
16 paid, the collector shall send a revised bill or receipt to reflect  
17 the tax payment, if a discount applies to the payment, and may send  
18 a revised bill or receipt to reflect the tax payment in other  
19 circumstances. The sending of a revised bill does not affect the  
20 date on which the unpaid taxes become delinquent.

21           (c) A collector may adopt a policy of accepting partial  
22 payments of property taxes. A payment option provided by Section  
23 31.03 ~~[of this code]~~ or a discount ~~[adopted]~~ under Section 31.05 ~~[of~~  
24 ~~this code]~~ does not apply to any portion of a partial payment. If a  
25 collector accepts a partial payment on a tax bill that includes  
26 taxes for more than one taxing unit, the collector shall allocate  
27 the partial payment among all the taxing units included in the bill

1 in proportion to the amount of tax included in the bill for each  
 2 taxing unit, unless the collector under Subsection (b) has adopted  
 3 a policy of accepting payments of a taxing unit's taxes separate  
 4 from the taxes of other taxing units included in the same bill and  
 5 the taxpayer directs that the partial payment be allocated in  
 6 specific amounts to one or more specific taxing units. Acceptance  
 7 of a partial payment does not affect the date that the tax becomes  
 8 delinquent, but the penalties and interest provided by Section  
 9 [33.01](#) ~~[of this code]~~ are incurred only by the portion of a tax that  
 10 remains unpaid on the date the tax becomes delinquent.

11 (d) Notwithstanding Subsection (c), a collector shall  
 12 accept a partial payment of property taxes on a tax bill that  
 13 includes taxes for more than one taxing unit if ~~[one or more of the~~  
 14 ~~taxing units has adopted the discounts under Section [31.05](#) of this~~  
 15 ~~code]~~ the taxpayer directs that the partial payment be allocated  
 16 first as a discounted ~~[to the]~~ payment to ~~[of the taxes owed]~~ one or  
 17 more of the taxing units under Section [31.05](#) ~~[that have adopted the~~  
 18 ~~discounts]~~ and the amount of the payment is equal to or greater  
 19 than the amount of the taxes owed the taxing units designated by the  
 20 taxpayer.

21 SECTION 5. The following provisions of the Tax Code are  
 22 repealed:

- 23 (1) Section [31.04](#)(a); and
- 24 (2) Sections [31.05](#)(a), (b), and (d).

25 SECTION 6. This Act applies only to the payment of ad  
 26 valorem taxes for a tax year that begins on or after the effective  
 27 date of this Act.

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1       SECTION 7.   This Act takes effect January 1, 2024.