

BILL ANALYSIS

Senate Research Center
87R23189 LHC-F

H.B. 746
By: Bernal (Campbell)
Local Government
5/14/2021
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

As property values continue to increase throughout Texas, many property owners are seeing increases in their property tax bills. With increases in property taxes outpacing increases in household income, Texas homeowners are increasingly relying on property tax loans to help ease the financial burden. While property tax loans have assisted homeowners in paying their property taxes, homeowners have experienced additional financial hardship due to exorbitant interest rates and fees associated with these loans.

The Texas Legislature has made attempts at helping those burdened by property taxes, including by expanding access to government-administered escrow accounts for veterans and allowing senior citizens and disabled veterans to pay the property taxes due on their residence homestead in quarterly installments. By allowing for access to escrow and installment payments, the demand for property tax loans decreased, enabling senior citizens and disabled veterans to pay their property taxes without fear of foreclosure due to higher property tax loan interest rates and fees.

Though the state has made efforts to help senior citizens and disabled veterans, more still needs to be done to address the rising property tax burden of other Texans. H.B. 746 seeks to provide additional assistance to residents of Bexar County by extending the authority to make quarterly installment payments on a residence homestead to all Bexar County property owners qualified for a residence homestead exemption.

H.B. 746 amends current law relating to installment payments of ad valorem taxes imposed on residence homesteads in certain counties.

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 31.031(a), Tax Code, as follows:

(a) Provides that Section 31.031 (Installment Payments of Certain Homestead Taxes) applies only to:

(1) and (2) makes nonsubstantive changes to these subdivisions; or

(3) an individual who is qualified for an exemption under Section 11.13 (Residence Homestead) for property located in a county with a population of more than 1.5 million in which more than 75 percent of the population lives in a single municipality.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: January 1, 2022.