

HB 2781 -1 STAFF MEASURE SUMMARY

House Committee On Revenue

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Meeting Dates: 4/27

WHAT THE MEASURE DOES:

Authorizes county court to order tax collector to cancel property taxes assessed on certain public real and personal property upon request of tax collector and district attorney who determine such taxes to be wholly uncollectible. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 restricts the application of this measure to property transferred to a port from the federal government and property owned by a port with outstanding property taxes since prior to 2012.

BACKGROUND:

Per the Department of Revenue Property Tax Statistics: Based on property values assessed as of January 1, taxes are levied and become a lien on property on July 1. Tax payments are due on November 15 of the same calendar year. Under the partial payment schedule, the first one-third of taxes is due on November 15, the second one-third on February 15, and the remaining one-third on May 15. If the taxpayer makes the full tax payment by November, a discount of 3 percent is allowed; a 2 percent discount is allowed for a two-thirds payment made by November 15. For late payments, interest accrues at a rate of 1.33 percent per month (16 percent annual rate). If taxes remain unpaid after three years from the beginning of delinquency date, counties then initiate property foreclosure proceedings.