

Sec. 33.01. Penalties and Interest.

- (a) A delinquent tax incurs a penalty of six percent of the amount of the tax for the first calendar month it is delinquent plus one percent for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. However, a tax delinquent on July 1 incurs a total penalty of twelve percent of the amount of the delinquent tax without regard to the number of months the tax has been delinquent. A delinquent tax continues to incur the penalty provided by this subsection as long as the tax remains unpaid, regardless of whether a judgment for the delinquent tax has been rendered.
- (b) If a person who exercises the split-payment option provided by Section [31.03](#) of this code fails to make the second payment before July 1, the second payment is delinquent and incurs a penalty of twelve percent of the amount of unpaid tax.
- (c) A delinquent tax accrues interest at a rate of one percent for each month or portion of a month the tax remains unpaid. Interest payable under this section is to compensate the taxing unit for revenue lost because of the delinquency. A delinquent tax continues to accrue interest under this subsection as long as the tax remains unpaid, regardless of whether a judgment for the delinquent tax has been rendered.
- (d) In lieu of the penalty imposed under Subsection (a), a delinquent tax incurs a penalty of 50 percent of the amount of the tax without regard to the number of months the tax has been delinquent if the tax is delinquent because the property owner received an exemption under:
- (1) Section [11.13](#) and the chief appraiser subsequently cancels the exemption because the residence was not the principal residence of the property owner and the property owner received an exemption for two or more additional residence homesteads for the tax year in which the tax was imposed;
 - (2) Section [11.13](#)(c) or (d) for a person who is 65 years of age or older and the chief appraiser subsequently cancels the exemption because the property owner was younger than 65 years of age; or
 - (3) Section [11.13](#)(q) and the chief appraiser subsequently cancels the exemption because the property owner was younger than 55 years of age when the property owner's spouse died.
- (e) A penalty imposed under Subsection (d) does not apply if:
- (1) the exemption was granted by the appraisal district or board and not at the request or application of the property owner or the property owner's agent; or
 - (2) at any time before the date the tax becomes delinquent, the property owner gives to the chief appraiser of the appraisal district in which the property is located written notice of circumstances that would disqualify the owner for the exemption.
- (f) Notwithstanding the other provisions of this section, a delinquent tax for which a person defers payment under Section [31.02](#)(b) that is not paid on or before the date the deferral period prescribed by that subsection expires:
- (1) accrues interest at a rate of six percent for each year or portion of a year the tax remains unpaid; and
 - (2) does not incur a penalty.

Sec. 33.011. Waiver of Penalties and Interest.

- (a) The governing body of a taxing unit:
- (1) shall waive penalties and may provide for the waiver of interest on a delinquent tax if an act or omission of an officer, employee, or agent of the taxing unit or the appraisal district in which the taxing unit participates caused or resulted in the taxpayer's failure to pay the tax before delinquency and if the tax is paid not later than the 21st day after the date the taxpayer knows or should know of the delinquency;
 - (2) may waive penalties and provide for the waiver of interest on a delinquent tax if:
 - (A) the property for which the tax is owed is acquired by a religious organization; and
 - (B) before the first anniversary of the date the religious organization acquires the property, the organization pays the tax and qualifies the property for an exemption under Section [11.20](#) as evidenced by the approval of the exemption by the chief appraiser under Section [11.45](#); and
 - (3) may waive penalties and provide for the waiver of interest on a delinquent tax if the taxpayer submits evidence showing that:
 - (A) the taxpayer attempted to pay the tax before the delinquency date by mail;
 - (B) the taxpayer mailed the tax payment to an incorrect address that in a prior tax year was the correct address for payment of the taxpayer's tax;
 - (C) the payment was mailed to the incorrect address within one year of the date that the former address ceased to be the correct address for payment of the tax; and
 - (D) the taxpayer paid the tax not later than the 21st day after the date the taxpayer knew or should have known of the delinquency.

- (b) If a tax bill is returned undelivered to the taxing unit by the United States Postal Service, the governing body of the taxing unit shall waive penalties and interest if:
- (1) the taxing unit does not send another tax bill on the property in question at least 21 days before the delinquency date to the current mailing address furnished by the property owner and the property owner establishes that a current mailing address was furnished to the appraisal district by the property owner for the tax bill before September 1 of the year in which the tax is assessed; or
 - (2) the tax bill was returned because of an act or omission of an officer, employee, or agent of the taxing unit or the appraisal district in which the taxing unit participates and the taxing unit or appraisal district did not send another tax bill on the property in question at least 21 days before the delinquency date to the proper mailing address.
- (c) For the purposes of this section, a property owner is considered to have furnished a current mailing address to the taxing unit or to the appraisal district if the current address is expressly communicated to the appraisal district in writing or if the appraisal district received a copy of a recorded instrument transferring ownership of real property and the current mailing address of the new owner is included in the instrument or in accompanying communications or letters of transmittal.
- (d) A request for a waiver of penalties and interest under Subsection (a)(1) or (3), (b), (h), (j), or (k) must be made before the 181st day after the delinquency date. A request for a waiver of penalties and interest under Subsection (a)(2) must be made before the first anniversary of the date the religious organization acquires the property. A request for a waiver of penalties and interest under Subsection (i) must be made before the 181st day after the date the property owner making the request receives notice of the delinquent tax that satisfies the requirements of Section [33.04\(c\)](#). To be valid, a waiver of penalties or interest under this section must be requested in writing. If a written request for a waiver is not timely made, the governing body of a taxing unit may not waive any penalties or interest under this section.
- (e) Penalties and interest do not accrue during the period that a bill is not sent under Section [31.01\(f\)](#).
- (f) A property owner is not entitled to relief under Subsection (b) of this section if the property owner or the owner's agent furnished an incorrect mailing address to the appraisal district or the taxing unit or to an employee or agent of the district or unit.
- (g) Taxes for which penalties and interest have been waived under Subsection (b) of this section must be paid within 21 days of the property owner having received a bill for those taxes at the current mailing address.
- (h) The governing body of a taxing unit shall waive penalties and interest on a delinquent tax if:
- (1) the tax is payable by electronic funds transfer under an agreement entered into under Section [31.06\(a\)](#); and
 - (2) the taxpayer submits evidence sufficient to show that:
 - (A) the taxpayer attempted to pay the tax by electronic funds transfer in the proper manner before the delinquency date;
 - (B) the taxpayer's failure to pay the tax before the delinquency date was caused by an error in the transmission of the funds; and
 - (C) the tax was properly paid by electronic funds transfer or otherwise not later than the 21st day after the date the taxpayer knew or should have known of the delinquency.
- (i) The governing body of a taxing unit may waive penalties and interest on a delinquent tax that relates to a date preceding the date on which the property owner acquired the property if:
- (1) the property owner or another person liable for the tax pays the tax not later than the 181st day after the date the property owner receives notice of the delinquent tax that satisfies the requirements of Section [33.04\(c\)](#); and
 - (2) the delinquency is the result of taxes imposed on:
 - (A) omitted property entered in the appraisal records as provided by Section [25.21](#);
 - (B) erroneously exempted property or appraised value added to the appraisal roll as provided by Section [11.43\(i\)](#); or
 - (C) property added to the appraisal roll under a different account number or parcel when the property was owned by a prior owner.
- (j) The governing body of a taxing unit may waive penalties and interest on a delinquent tax if the taxpayer submits evidence sufficient to show that the taxpayer delivered payment for the tax before the delinquency date to:
- (1) the United States Postal Service for delivery by mail, but an act or omission of the postal service resulted in the taxpayer's payment being postmarked after the delinquency date; or
 - (2) a private delivery service for delivery, but an act or omission of the private carrier resulted in the taxpayer's payment being received by the taxing unit after the delinquency date.
- (k) The governing body of a taxing unit may waive penalties and interest on a delinquent tax if:
- (1) the property for which the tax is owed is subject to a mortgage that does not require the owner of the property to fund an escrow account for the payment of the taxes on the property;
 - (2) the tax bill was mailed or delivered by electronic means to the mortgagee of the property, but the mortgagee failed to mail a copy of the bill to the owner of the property as required by Section [31.01\(j\)](#); and
 - (3) the taxpayer paid the tax not later than the 21st day after the date the taxpayer knew or should have known of the delinquency.