



BOARD OF SCHOOL TRUSTEES

## KELLER INDEPENDENT SCHOOL DISTRICT

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**4B. Preview**

**Date: November 28, 2005**

**SUBJECT:** **REVISION TO DELINQUENT TAX COLLECTION CONTRACT  
TO ALLOW EARLY TURNOVER OF DELINQUENT TAX  
ACCOUNTS TO TAX ATTORNEY**

**BOARD GOAL:** All systems in the Keller Independent School District will be effective, efficient and accountable in support of the district's mission.

**FISCAL NOTE:** Increased tax collections

**ANTICIPATED  
DATE FOR ACTION:** December 12, 2005

### **Background Information:**

- 79<sup>th</sup> Regular Legislative Session revised section 33.11 of the Texas Property Tax Code.
- Allowed for the early turnover of business personal property delinquent tax accounts to law firms collecting delinquent taxes for public entities.
- Taxes become delinquent on February 1<sup>st</sup>.
- Currently, delinquents are turned over in July 1.
- This revision will allow for the turnover as early as April 2<sup>nd</sup>.
- Allows for notification of delinquency to be sent to business personal property taxpayers 30 days earlier than allowed in old law. This earlier notice will give the taxpayer more warning of possible action for collection and additional time to work out a possible payment plan before penalties and interest begin to mount.
- This early turnover is only for business personal property.
- Data suggests that in many cases delinquency is a sign that a business maybe closing. Early detection will allow the attorney for the district to secure the district's interest in business personal property that may be disposed of without consideration of taxes due.

**Administrative Considerations:**

- Tarrant County Tax Assessor-Collector Betsy Price encourages all taxing entities to allow for this change to maximize delinquent tax collections. Her letter on this issue is attached.
- The District's attorney that collects our delinquent taxes, Perdue, Brackett, Flores, Utt, and Burns, a Joint Venture, is asking for the change and agrees that allowing this revision will substantial increase our collections.
- A resolution to accept the change to section 33.11 of the Texas Tax Code is attached as well as an addendum to the delinquent tax contract for Perdue, Brackett, Flores, Utt, and Burns, J.V.

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Respectfully submitted,

Kent V. Morrison, III  
Chief Financial Officer