

Perdue, Brackett, Flores, Utt, & Burns, A Joint Venture

307 West 7th St., #1225 • Ft. Worth, Texas 76102 • 817/877-1224 • Fax: 817/877-3724

November 14, 2005

Kent Morrison
Keller Independent School District Finance Department
350 Keller Parkway
Keller, Texas 76248

Re: §33.11 of the Texas Property Tax Code

Dear Mr. Morrison:

You should soon be receiving a communication from the Tarrant County Tax Office asking your governing body to adopt a resolution under §33.11 of the Texas Property Tax Code (copy attached). This letter is to provide further information as to that provision.

As you know, taxes billed in October generally go delinquent and incur penalties and interest on February 1. All persons with taxes delinquent as of May 1 are sent a 30 day notice under §33.07 warning of the imposition of an additional collection penalty on July 1 if the taxes remain unpaid. On July 1, those unpaid taxes, with interest and penalties, are turned over to us for collection pursuant to our contract. The collection penalty, which can be up to 20%, is used to pay our firm for its services - no money comes out of your unit's budget.

§33.11 was added to the Tax Code in the last regular session of the Legislature to provide for early turn-over of delinquent personal property taxes. This new section provides a mechanism for early turnover of delinquent personal property taxes - real property taxes would still fall under §33.07. Under the new section, a notice would go out in the first month of the delinquency to those persons owing delinquent taxes on business personal property and the collection penalty would be imposed 60 days later. The delinquent personal property taxes would then be turned over to us for collection. This would allow us, for most accounts, to start working on your personal property accounts as early as April 2 of each year rather than waiting for July. Unfortunately, given the fact that personal property can disappear fairly quickly, that extra three months may make the difference as to whether or not some accounts get collected

before the business and its assets leave.

I have also attached an addendum to our contract which would have to be adopted as the same time as the resolution. Although most of our contracts provide for early turnover on specific accounts as needed, without the additional language added to the contract as required by §33.11, the resolution will not be effective. If you have any questions, please do not hesitate to call me at 817-877-1224.

Sincerely,

Elizabeth Parmer
Managing Attorney

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