

By: Taylor of Collin

S.B. No. 624

A BILL TO BE ENTITLED

AN ACT

relating to the rate of interest on certain tax refunds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections [111.064](#)(a), (c), and (c-1), Tax Code, are amended to read as follows:

(a) Except as otherwise provided by this section, for a refund under this chapter granted for a report period due on or after September 1, 2019, interest is at the rate [~~that is the lesser of the annual rate of interest earned on deposits in the state treasury during December of the previous calendar year, as determined by the comptroller, or the rate~~] set in Section [111.060](#)[~~7~~] and accrues on the amount found to be erroneously paid for a period:

(1) beginning on the later of 60 days after the date of payment or the due date of the tax report; and

(2) ending on, as determined by the comptroller, either the date of allowance of credit on account of the comptroller's final decision or audit or a date not more than 10 days before the date of the refund warrant.

(c) A [~~For a~~] refund under this chapter [~~claimed before September 1, 2005, and~~] granted for a report period due on or after January 1, 2000, but before September 1, 2019, accrues [~~the rate of~~] interest as follows:

(1) if the refund is claimed on or before September 1,

1 2005, at [is] the rate set in Section 111.060; and

2 (2) if the refund is claimed after September 1, 2005,
3 at the rate that is the lesser of:

4 (A) the rate set in Section 111.060; or

5 (B) the annual rate of interest earned on
6 deposits in the state treasury during December of the previous
7 calendar year, as determined by the comptroller.

8 (c-1) A refund under this chapter granted [~~without regard~~
9 ~~to the date claimed,~~] for a report period due before January 1,
10 2000, does not accrue interest.

11 SECTION 2. This Act takes effect September 1, 2017.