

**CITY OF PAYNE SPRINGS RESOLUTION 2022-13R AUTHORIZING THE
IMPOSITION OF A 20% PENALTY FOR COLLECTION COSTS ON
DELINQUENT TAXES FOR TAX YEAR 2022 AND SUBSEQUENT YEARS**

RECITALS

Section 6.30 of the Texas Tax Code, as amended, authorizes the City of Payne Springs to provide for compensating an attorney up to 20% of the delinquent tax, penalty, and interest collected by the attorney.

Sections 33.07, 33.08, and 33.11 of the Texas Tax Code, as amended, authorize City of Payne Springs to impose additional penalties secured by a tax lien to defray the cost of collection, not to exceed the amount of the compensation specified in the contract with an attorney pursuant to section 6.30 of the Texas Tax Code.

The City of Payne Springs has contracted with Linebarger Goggan Blair & Sampson, LLP ("Linebarger") to collect its delinquent taxes pursuant to section 6.30 of the Texas Tax Code, as amended.

The contract provides that Linebarger's compensation shall be comprised of section 33.07 penalties, section 33.08 penalties, section 33.11 penalties and section 33.48 attorney fees awarded to and collected by Linebarger, pursuant to each statute of the Texas Tax Code.

The City of Payne Springs has agreed in the contract to impose section 33.07, section 33.08, and section 33.11 penalties of 20% to offset the cost of delinquent tax collection efforts. Notwithstanding any other provision of this resolution, it is not intended to and it should not be construed so as to impose an additional penalty under Section 33.07 of the Texas Tax Code on any delinquent tangible personal property taxes that Section 33.11 of the Texas Tax Code forbids its application.

ORDER

IT IS ORDERED, ADJUDGED AND DECREED BY THE CITY OF PAYNE SPRINGS THAT:

Section 1. The matters and facts related in the preamble of this order are hereby found and determined to be true and correct.

Section 2. In connection with 2022 taxes that become delinquent before June 1, 2023, and subsequent years' taxes, the City of Payne Springs hereby affirmatively imposes an additional 20% penalty pursuant to Tex. Tax Code § 33.07.

Section 3. In connection with 2022 taxes that become delinquent on or after June 1, 2023, and subsequent years' taxes the City of Payne Springs hereby affirmatively imposes an additional 20% penalty pursuant to Tex. Tax Code § 33.08.

Section 4. In connection with 2022 taxes that become delinquent on or after February 1, 2023 and subsequent years' taxes imposed on tangible personal property, the City of Payne

Springs hereby affirmatively imposes an additional 20% penalty pursuant to Tex. Tax Code § 33.11.

Section 5. The City of Payne Springs Tax Assessor-Collector is authorized to mail notice of the delinquency and of the penalty to each property owner in accordance with Tex. Tax Code sections 33.07, 33.08, and 33.11.

PASSED, APPROVED, AND ADOPTED this 18th day of October 2022.

ATTEST/SEAL:

City of Payne Springs

By: Beth Billing
City Secretary

By: Andrea Miller
Andrea Miller, Mayor