

BILL SUMMARY
1st Session of the 58th Legislature

Bill No.:	HB 1950
Version:	Proposed Committee Substitute
Request Number:	
Author:	Cruz
Date:	2/17/2021
Impact:	Please see previous summary of this measure

Research Analysis

The proposed committee substitute to HB 1950 authorizes:

A 100% tax credit for any landlord who incurs a qualified rental income loss for the taxable years 2020-2022;
Carryover of the tax credit, to the extent not used, to each of the ten subsequent taxable years;
The Tax Commission to refund a qualified landlord for credits they haven't used;
Any amount of the tax credit not used to be transferrable to an unrelated party any time during the ten years following initial qualification; and
The Tax Commission to promulgate rules and procedures for the administration of the tax credit.

If the Commission finds that the landlord recovered the qualified rental income loss through late rent payments or civil action, the Commission shall recapture the credit awarded. Total credits awarded shall not exceed \$5 million annually and each taxpayer shall not receive more than \$1,250 annually.

The measure also directs the Commission to create a registration program for qualified landlords who wish to receive this tax credit for qualified rental income loss, and in order to register, landlords must submit certain documentation detailing their rental income loss and proving they didn't evict their tenant for lack of rent payment.

Prepared By: Emily McPherson

Fiscal Analysis

The measure is currently under review and impact information will be completed.

Prepared By: Mark Tygret

Other Considerations

None.