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Enron Broadband pays off \$1 million in back taxes

By **LISA TEACHEY** and **TOM FOWLER**

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An attorney for Enron Broadband Services, a division of Enron, handed over a \$1,077,572.87 check to county officials today to pay off local back taxes.

The company pleaded no contest before visiting Judge Shelly Hancock to a misdemeanor charge of tampering with a government record before giving the check to Harris County Tax Assessor-Collector Paul Bettencourt.

A Harris County grand jury indicted Enron Broadband Services on Monday for claiming that a North Shepherd warehouse contained furniture and fixtures worth about \$500, rather than more than \$20 million in computer and telecommunications equipment.

The check was made payable to the Harris County Appraisal District. Chief appraiser Jim Robinson immediately endorsed the check to Bettencourt.

"This was greatly facilitated by citizens, who came forward to him (Bettencourt) early on and reported these assets were there and had not been reported to the district," Robinson said.

Bettencourt said the new management at EBS was cooperative in the year-long investigation.

"This is a significant payment from a company in bankruptcy," Bettencourt said. "It goes to the simple point that fairness dictates that companies should render a rational value so that they pay their fair share of property taxes. . .

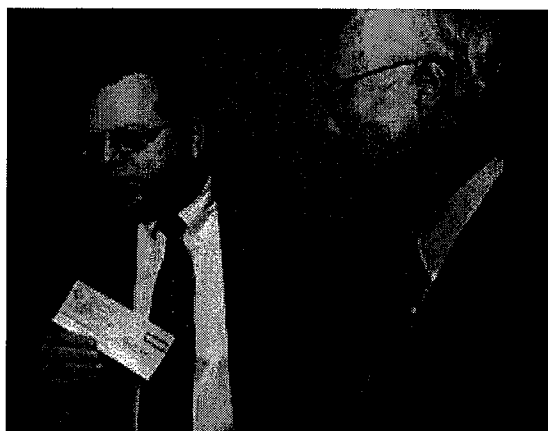
"I hope that other businesses understand that the tax code has to function fairly and that the authorities in Harris County will, if necessary, take action to make sure that the public is paid their fair due."

Enron attorney Ross Rommel said the company was "pleased to get this matter resolved."

A bankruptcy judge approved Enron's request to pay the taxes last week.

Under Texas law, owners of tangible property used to generate revenue -- computers, office equipment and work vehicles -- are required to annually provide lists of that property and its value to the tax appraisal district. Appraisers use the lists to determine how much property tax a business owes, said Jim Robinson, Harris County Appraisal District's chief appraiser.

But it's estimated that nearly 60 percent of the 160,000 or so businesses required to fully divulge their property on the lists do



Buster Dean/Chronicle

As Chief Appraiser Jim Robinson looks on, Harris County Tax Assessor/Collector Paul Bettencourt shows the \$1 million check he received from Enron Broadband Services today.

