

By: Schwertner, et al.

S.B. No. 725

A BILL TO BE ENTITLED

AN ACT

relating to the qualification of land for appraisal for ad valorem tax purposes as agricultural land and the liability for the additional tax imposed on such land if the use of the land changes as a result of a condemnation.

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

SECTION 1. Section 23.46, Tax Code, is amended by adding Subsections (e-1) and (g) to read as follows:

(e-1) A portion of a parcel of land is not diverted to nonagricultural use for purposes of Subsection (c) because the portion is subject to a right-of-way that is less than 200 feet wide and that was taken by condemnation if the remainder of the parcel of land qualifies for appraisal under this subchapter.

(g) If the additional taxes are due because the land has been diverted to a nonagricultural use as a result of a condemnation, the additional taxes and interest imposed by this section are the personal obligation of the condemning entity and not the property owner from whom the property was taken.

SECTION 2. (a) Section 23.46(e-1), Tax Code, as added by this Act, applies only to the appraisal of land for ad valorem tax purposes for a tax year that begins on or after the effective date of this Act.

(b) Section 23.46(g), Tax Code, as added by this Act, applies only to a change of use of land that occurs on or after the

1 effective date of this Act.

2 SECTION 3. This Act takes effect September 1, 2021.