

By: Turner

H.B. No. 2515

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the required reporting to a chief appraiser of certain
3 information about real property that is conveyed, including
4 purchase price and other information; providing a penalty.

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

6 SECTION 1. Section 12.001, Property Code, is amended by
7 amending Subsection (b) and adding Subsections (e) and (f) to read
8 as follows:

9 (b) Except as provided by Subsection (e), an [An] instrument
10 conveying real property may not be recorded unless it:

11 (1) is signed and acknowledged or sworn to by the
12 grantor in the presence of two or more credible subscribing
13 witnesses or acknowledged or sworn to before and certified by an
14 officer authorized to take acknowledgements or oaths, as
15 applicable; and

16 (2) has attached a certificate issued by the chief
17 appraiser of the appraisal district established for the county in
18 which the property is located stating that the report required by
19 Subchapter D, Chapter 22, Tax Code, in connection with the
20 conveyance has been filed.

21 (e) Subsection (b)(2) does not apply to the recording of an
22 instrument for a conveyance:

23 (1) that is ordered by a court;

24 (2) made pursuant to a judicial or nonjudicial

1 foreclosure;

2 (3) by a trustee in bankruptcy;

3 (4) by a mortgagor or successor in interest to a
4 mortgagee;

5 (5) by a trustor or successor in interest to a
6 beneficiary of a deed of trust;

7 (6) by a fiduciary in the course of the administration
8 of a decedent's estate, guardianship, conservatorship, or trust;

9 (7) between owners of joint or undivided interests in
10 the property;

11 (8) between spouses or former spouses, including as a
12 result of a decree of dissolution of marriage, legal separation, or
13 property settlement agreement; or

14 (9) to or from a governmental entity.

15 (f) The chief appraiser may deliver a certificate required
16 by Subsection (b)(2) to the county clerk electronically if the
17 chief appraiser and the county clerk have entered into a written
18 agreement that specifies:

19 (1) the electronic means to be used;

20 (2) the means for protecting the security of the
21 communication; and

22 (3) any other necessary procedures.

23 SECTION 2. The heading to Subchapter C, Chapter 22, Tax
24 Code, is amended to read as follows:

25 SUBCHAPTER C. [~~OTHER~~] REPORTS OF POLITICAL SUBDIVISION ACTIONS

26 SECTION 3. Chapter 22, Tax Code, is amended by adding
27 Subchapter D to read as follows:

1 SUBCHAPTER D. REAL PROPERTY CONVEYANCE REPORT

2 Sec. 22.61. REAL PROPERTY CONVEYANCE REPORT. The
3 transferee of real property or a person acting on behalf of the
4 transferee may file a real property conveyance report as provided
5 by this subchapter with the chief appraiser of the appraisal
6 district established for the county in which the property is
7 located.

8 Sec. 22.62. FILING BY FACSIMILE. A real property
9 conveyance report may be filed by facsimile.

10 Sec. 22.63. SIGNATURE REQUIRED. A real property conveyance
11 report must be signed by the transferee or by the person who files
12 the report.

13 Sec. 22.64. REPORT FORMS. (a) The comptroller shall
14 prescribe the form and content of a report filed under this
15 subchapter. The comptroller may prescribe different report forms
16 for different kinds of property and shall ensure that each form
17 requires the person filing the report to provide:

18 (1) the grantor's name and address;

19 (2) the transferee's name and address;

20 (3) information necessary to identify the property and
21 to determine location;

22 (4) the address to which tax notices concerning the
23 property should be mailed;

24 (5) a description of the use of the property at the
25 time of conveyance;

26 (6) the value of any personal property included in the
27 conveyance;

1 (7) the method of financing the transaction;

2 (8) if the property was made available to other
3 potential transferees;

4 (9) if the transferee holds title to an adjoining
5 property;

6 (10) the purchase price of the property;

7 (11) the date the transaction was closed; and

8 (12) the name and address of the person preparing the
9 report.

10 (b) A form may not require information not relevant to the
11 appraisal of the property for tax purposes or to the assessment or
12 collection of property taxes.

13 (c) A person who files a report under this subchapter must:

14 (1) use the appropriate form prescribed by the
15 comptroller; and

16 (2) include all information required by the form.

17 Sec. 22.65. CERTIFICATE. (a) Unless Subsection (b)
18 applies, not later than the second business day after the date on
19 which a real property conveyance report is filed with the chief
20 appraiser, the chief appraiser shall issue the person filing the
21 report a certificate stating that the report has been filed.

22 (b) If the chief appraiser and the county clerk have entered
23 into an agreement under Section 12.001(f), Property Code, for
24 delivery by electronic means, the chief appraiser, not later than
25 the second business day after the date on which a real property
26 conveyance report is filed, shall:

27 (1) deliver to the clerk a copy of the certificate by

1 the electronic means agreed upon; and

2 (2) notify the person filing the report in writing
3 that the certificate has been delivered electronically to the
4 county clerk of the county in which the property is located.

5 Sec. 22.66. PUBLICIZING REQUIREMENTS. (a) The comptroller
6 shall publicize, in a manner reasonably designed to come to the
7 attention of title companies, attorneys, and property owners, the
8 requirements of this subchapter and of the availability of real
9 property conveyance report forms.

10 (b) The Texas Real Estate Commission shall assist the
11 comptroller in publicizing the information required by Subsection
12 (a) to title companies and attorneys.

13 (c) A chief appraiser shall assist the comptroller in
14 publicizing the information required by Subsection (a) to property
15 owners in the county for which the appraisal district is
16 established.

17 Sec. 22.67. CONFIDENTIAL INFORMATION. (a) A real property
18 conveyance report filed under this subchapter is confidential and
19 not open to public inspection. The report and the information it
20 contains about specific property or a specific person may not be
21 disclosed to anyone other than an employee of the appraisal office
22 who appraises property except as provided by Subsection (b).

23 (b) Information that is confidential under Subsection (a)
24 may be disclosed:

25 (1) in a judicial or administrative proceeding
26 pursuant to a lawful subpoena;

27 (2) to the person who filed the report, to the owner of

1 the property that is the subject of the report, or to the
2 representative of either the person or the owner who is authorized
3 in writing to receive the information;

4 (3) to the comptroller and the comptroller's employees
5 authorized by the comptroller in writing to receive the information
6 or to an assessor or a chief appraiser if requested in writing;

7 (4) in a judicial or administrative proceeding
8 relating to property taxation to which:

9 (A) the person who filed the report is a party;

10 (B) an owner of the property that is the subject
11 of the report is a party; or

12 (C) the information is used for the purpose of
13 establishing the property's value or providing evidence of the
14 comparable sales used to appraise property;

15 (5) for statistical purposes if in a form that does not
16 identify specific property or a specific property owner;

17 (6) if and to the extent the information is required to
18 be included in a public document or record that the appraisal office
19 is required by law to prepare or maintain; or

20 (7) to a taxing unit or its legal representative
21 engaged in the collection of delinquent taxes on the property that
22 was the subject of the report.

23 (c) A person who legally has access to an application for an
24 exemption or who legally obtains the confidential information the
25 application contains commits an offense if the person knowingly:

26 (1) permits inspection of the application by a person
27 not authorized by Subsection (b) to inspect the application; or

1 (2) discloses confidential information contained in
2 the report to a person not authorized by Subsection (b) to receive
3 the information.

4 (d) An offense under Subsection (c) is a Class B
5 misdemeanor.

6 (e) A person who directly or indirectly provides a real
7 property conveyance report to the comptroller or appraisal office
8 is not liable to any other person for providing the information
9 required.

10 SECTION 4. (a) Except as provided by Subsection (b), this
11 Act takes effect September 1, 2003.

12 (b) Sections 1, 2, and 3 of this Act take effect January 1,
13 2004.

14 (c) As soon as practicable after the effective date of this
15 Act, but not later than January 1, 2004, the comptroller shall:

16 (1) prescribe or approve real property conveyance
17 report forms as provided by Section 22.64, Tax Code, as added by
18 this Act; and

19 (2) begin to publicize the requirements of Subchapter
20 D, Chapter 22, Tax Code, as required by Section 22.66, Tax Code, as
21 added by this Act.

22 (d) This Act applies only to a conveyance of real property
23 that occurs on or after January 1, 2004.