

By: Staples

S.B. No. 832

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the period for the redemption of a mineral interest sold  
3 for unpaid ad valorem taxes at a tax sale.

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

5 SECTION 1. Sections 34.21(a), (b), (c), and (e), Tax Code,  
6 are amended to read as follows:

7 (a) The owner of real property sold at a tax sale to a  
8 purchaser other than a taxing unit that was used as the residence  
9 homestead of the owner or that was land designated for agricultural  
10 use when the suit or the application for the warrant was filed, or  
11 the owner of a mineral interest sold at a tax sale to a purchaser  
12 other than a taxing unit, may redeem the property on or before the  
13 second anniversary of the date on which the purchaser's deed is  
14 filed for record by paying the purchaser the amount the purchaser  
15 bid for the property, the amount of the deed recording fee, and the  
16 amount paid by the purchaser as taxes, penalties, interest, and  
17 costs on the property, plus a redemption premium of 25 percent of  
18 the aggregate total if the property is redeemed during the first  
19 year of the redemption period or 50 percent of the aggregate total  
20 if the property is redeemed during the second year of the redemption  
21 period.

22 (b) If property that was used as the owner's residence  
23 homestead or was land designated for agricultural use when the suit  
24 or the application for the warrant was filed, or that is a mineral

1 interest, is bid off to a taxing unit under Section 34.01(j) or (p)  
2 and has not been resold by the taxing unit, the owner having a right  
3 of redemption may redeem the property on or before the second  
4 anniversary of the date on which the deed of the taxing unit is  
5 filed for record by paying the taxing unit:

6 (1) the lesser of the amount of the judgment against  
7 the property or the market value of the property as specified in  
8 that judgment, plus the amount of the fee for filing the taxing  
9 unit's deed and the amount spent by the taxing unit as costs on the  
10 property, if the property was judicially foreclosed and bid off to  
11 the taxing unit under Section 34.01(j); or

12 (2) the lesser of the amount of taxes, penalties,  
13 interest, and costs for which the warrant was issued or the market  
14 value of the property as specified in the warrant, plus the amount  
15 of the fee for filing the taxing unit's deed and the amount spent by  
16 the taxing unit as costs on the property, if the property was seized  
17 under Subchapter E, Chapter 33, and bid off to the taxing unit under  
18 Section 34.01(p).

19 (c) If real property that was used as the owner's residence  
20 homestead or was land designated for agricultural use when the suit  
21 or the application for the warrant was filed, or that is a mineral  
22 interest, has been resold by the taxing unit under Section 34.05,  
23 the owner of the property having a right of redemption may redeem  
24 the property on or before the second anniversary of the date on  
25 which the taxing unit files for record the deed from the sheriff or  
26 constable by paying the person who purchased the property from the  
27 taxing unit the amount the purchaser paid for the property, the

1 amount of the fee for filing the purchaser's deed for record, the  
2 amount paid by the purchaser as taxes, penalties, interest, and  
3 costs on the property, plus a redemption premium of 25 percent of  
4 the aggregate total if the property is redeemed in the first year of  
5 the redemption period or 50 percent of the aggregate total if the  
6 property is redeemed in the second year of the redemption period.

7 (e) The owner of real property sold at a tax sale other than  
8 property that was used as the residence homestead of the owner or  
9 that was land designated for agricultural use when the suit or the  
10 application for the warrant was filed, or that is a mineral  
11 interest, may redeem the property in the same manner and by paying  
12 the same amounts as prescribed by Subsection (a), (b), (c), or (d),  
13 as applicable, except that:

14 (1) the owner's right of redemption may be exercised  
15 not later than the 180th day following the date on which the  
16 purchaser's or taxing unit's deed is filed for record; and

17 (2) the redemption premium payable by the owner to a  
18 purchaser other than a taxing unit may not exceed 25 percent.

19 SECTION 2. (a) This Act takes effect January 1, 2004, but  
20 only if the constitutional amendment proposed by the 78th  
21 Legislature, Regular Session, 2003, to establish a two-year period  
22 for the redemption of a mineral interest sold for unpaid ad valorem  
23 taxes at a tax sale is approved by the voters. If that amendment is  
24 not approved by the voters, this Act has no effect.

25 (b) This Act applies only to the redemption of a mineral  
26 interest sold at a tax sale for which the purchaser's deed is filed  
27 for record on or after the effective date of this Act. The

1 redemption of a mineral interest sold at a tax sale for which the  
2 purchaser's deed is filed for record before the effective date of  
3 this Act is covered by the law in effect when the deed is filed, and  
4 the former law is continued in effect for that purpose.