

1-1 By: Staples S.B. No. 832
1-2 (In the Senate - Filed March 4, 2003; March 10, 2003, read
1-3 first time and referred to Committee on Finance; April 28, 2003,
1-4 reported favorably by the following vote: Yeas 13, Nays 0;
1-5 April 28, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the period for the redemption of a mineral interest sold
1-9 for unpaid ad valorem taxes at a tax sale.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subsections (a), (b), (c), and (e), Section
1-12 34.21, Tax Code, are amended to read as follows:

1-13 (a) The owner of real property sold at a tax sale to a
1-14 purchaser other than a taxing unit that was used as the residence
1-15 homestead of the owner or that was land designated for agricultural
1-16 use when the suit or the application for the warrant was filed, or
1-17 the owner of a mineral interest sold at a tax sale to a purchaser
1-18 other than a taxing unit, may redeem the property on or before the
1-19 second anniversary of the date on which the purchaser's deed is
1-20 filed for record by paying the purchaser the amount the purchaser
1-21 bid for the property, the amount of the deed recording fee, and the
1-22 amount paid by the purchaser as taxes, penalties, interest, and
1-23 costs on the property, plus a redemption premium of 25 percent of
1-24 the aggregate total if the property is redeemed during the first
1-25 year of the redemption period or 50 percent of the aggregate total
1-26 if the property is redeemed during the second year of the redemption
1-27 period.

1-28 (b) If property that was used as the owner's residence
1-29 homestead or was land designated for agricultural use when the suit
1-30 or the application for the warrant was filed, or that is a mineral
1-31 interest, is bid off to a taxing unit under Section 34.01(j) or (p)
1-32 and has not been resold by the taxing unit, the owner having a right
1-33 of redemption may redeem the property on or before the second
1-34 anniversary of the date on which the deed of the taxing unit is
1-35 filed for record by paying the taxing unit:

1-36 (1) the lesser of the amount of the judgment against
1-37 the property or the market value of the property as specified in
1-38 that judgment, plus the amount of the fee for filing the taxing
1-39 unit's deed and the amount spent by the taxing unit as costs on the
1-40 property, if the property was judicially foreclosed and bid off to
1-41 the taxing unit under Section 34.01(j); or

1-42 (2) the lesser of the amount of taxes, penalties,
1-43 interest, and costs for which the warrant was issued or the market
1-44 value of the property as specified in the warrant, plus the amount
1-45 of the fee for filing the taxing unit's deed and the amount spent by
1-46 the taxing unit as costs on the property, if the property was seized
1-47 under Subchapter E, Chapter 33, and bid off to the taxing unit under
1-48 Section 34.01(p).

1-49 (c) If real property that was used as the owner's residence
1-50 homestead or was land designated for agricultural use when the suit
1-51 or the application for the warrant was filed, or that is a mineral
1-52 interest, has been resold by the taxing unit under Section 34.05,
1-53 the owner of the property having a right of redemption may redeem
1-54 the property on or before the second anniversary of the date on
1-55 which the taxing unit files for record the deed from the sheriff or
1-56 constable by paying the person who purchased the property from the
1-57 taxing unit the amount the purchaser paid for the property, the
1-58 amount of the fee for filing the purchaser's deed for record, the
1-59 amount paid by the purchaser as taxes, penalties, interest, and
1-60 costs on the property, plus a redemption premium of 25 percent of
1-61 the aggregate total if the property is redeemed in the first year of
1-62 the redemption period or 50 percent of the aggregate total if the
1-63 property is redeemed in the second year of the redemption period.

1-64 (e) The owner of real property sold at a tax sale other than

2-1 property that was used as the residence homestead of the owner or
2-2 that was land designated for agricultural use when the suit or the
2-3 application for the warrant was filed, or that is a mineral
2-4 interest, may redeem the property in the same manner and by paying
2-5 the same amounts as prescribed by Subsection (a), (b), (c), or (d),
2-6 as applicable, except that:

2-7 (1) the owner's right of redemption may be exercised
2-8 not later than the 180th day following the date on which the
2-9 purchaser's or taxing unit's deed is filed for record; and

2-10 (2) the redemption premium payable by the owner to a
2-11 purchaser other than a taxing unit may not exceed 25 percent.

2-12 SECTION 2. (a) This Act takes effect January 1, 2004, but
2-13 only if the constitutional amendment proposed by the 78th
2-14 Legislature, Regular Session, 2003, to establish a two-year period
2-15 for the redemption of a mineral interest sold for unpaid ad valorem
2-16 taxes at a tax sale is approved by the voters. If that amendment is
2-17 not approved by the voters, this Act has no effect.

2-18 (b) This Act applies only to the redemption of a mineral
2-19 interest sold at a tax sale for which the purchaser's deed is filed
2-20 for record on or after the effective date of this Act. The
2-21 redemption of a mineral interest sold at a tax sale for which the
2-22 purchaser's deed is filed for record before the effective date of
2-23 this Act is covered by the law in effect when the deed is filed, and
2-24 the former law is continued in effect for that purpose.

2-25 * * * * *