

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 29, 2003

TO: Honorable Teel Bivins, Chair, Senate Committee on Finance

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1125 by Flores (Relating to the period for the redemption of a mineral interest sold for unpaid ad valorem taxes at a tax sale.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would increase the redemption period from six months to two years for the former owners of a mineral interest sold at a tax sale to a purchaser other than a taxing unit to redeem their property.

Passage of this bill would lengthen the time period after which purchasers of foreclosed mineral interests could clear the title to those interests. Buyers of those interests would have to wait two years to clear their titles and/or convey an interest, rather than six months. If the person redeemed within one year, the person would pay the deed recording fees; whatever amount the purchaser paid, including taxes, penalties, interest, and costs; plus 25 percent of the aggregate total. If the person redeemed the property within the second year, the redemption premium would be 50 percent of the total.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JK, SD, WP, DLBe