

AN ACT

relating to the additional tax imposed on land appraised for ad valorem taxation as timber land that is claimed as part of a residence homestead or diverted to certain other uses.

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

SECTION 1. Section 23.76, Tax Code, is amended by adding Subsections (h)-(k) to read as follows:

(h) The use of land does not change for purposes of Subsection (a) solely because the owner of the land claims it as part of the owner's residence homestead for purposes of Section 11.13.

(i) The sanctions provided by Subsection (a) do not apply to land owned by an organization that qualifies as a religious organization under Section 11.20(c) if the organization converts the land to a use for which the land is eligible for an exemption under Section 11.20 within five years.

(j) The sanctions provided by Subsection (a) do not apply to a change in the use of land if:

(1) the land is located in an unincorporated area of a county with a population of less than 100,000;

(2) the land does not exceed five acres;

(3) the land is owned by a not-for-profit cemetery organization;

(4) the cemetery organization dedicates the land for a

1 cemetery purpose;

2 (5) the cemetery organization has not dedicated more
3 than five acres of land in the county for a cemetery purpose in the
4 five years preceding the date the cemetery organization dedicates
5 the land for a cemetery purpose; and

6 (6) the land is adjacent to a cemetery that has been in
7 existence for more than 100 years.

8 (k) In Subsection (j), "cemetery," "cemetery organization,"
9 and "cemetery purpose" have the meanings assigned those terms by
10 Section 711.001, Health and Safety Code.

11 SECTION 2. The change in law made by this Act applies only
12 to a change of use of land that occurs on or after the effective date
13 of this Act. A change of use of land that occurs before the
14 effective date of this Act is governed by the law in effect when the
15 change of use occurs, and that law is continued in effect for that
16 purpose.

17 SECTION 3. This Act takes effect September 1, 2005.

President of the Senate

Speaker of the House

I certify that H.B. No. 312 was passed by the House on April 29, 2005, by a non-record vote.

Chief Clerk of the House

I certify that H.B. No. 312 was passed by the Senate on May 25, 2005, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____
Date

Governor