

By: Goodman

H.B. No. 3071

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the administration and collection of ad valorem taxes
3 and the administration of appraisal districts; making procedural
4 and technical corrections and clarifications to the Tax Code,
5 Property Code, and Civil Practice and Remedies Code.

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

7 SECTION 1. Section 1.07(b), Tax Code, is amended to read as
8 follows:

9 (b) The official or agency shall address the notice to the
10 property owner, the person designated under Section 1.111(f) to
11 receive the notice for the property owner, if that section applies,
12 or, if appropriate, the property owner's agent at the agent's ~~[his]~~
13 address according to the most recent record in the possession of the
14 official or agency. However, if a property owner files a written
15 request with the appraisal district that notices be sent to a
16 particular address, the official or agency shall send the notice to
17 the address stated in the request.

18 SECTION 2. Section 1.11(b), Tax Code, is amended to read as
19 follows:

20 (b) To be effective, a [A] request made under ~~[pursuant to]~~
21 this section must be filed with the appraisal district. A request
22 remains in effect until revoked by a written revocation filed with
23 the appraisal district by the owner.

24 SECTION 3. Section 6.02(a), Tax Code, is amended to read as

1 follows:

2 The [~~(a) Except as otherwise provided by this section, the~~
3 appraisal district's boundaries are the same as the county's
4 boundaries. This section does not preclude the boards of directors
5 of two or more adjoining appraisal districts from providing for the
6 operation of a consolidated appraisal district by interlocal
7 contract.

8 SECTION 4. Section 6.035(a), Tax Code, is amended to read as
9 follows:

10 (a) An individual is ineligible to serve on an appraisal
11 district board of directors and is disqualified from employment as
12 chief appraiser if the individual:

13 (1) is related within the second degree by
14 consanguinity or affinity, as determined under Chapter 573,
15 Government Code, to an individual who is engaged in the business of
16 appraising property for compensation for use in proceedings under
17 this title or of representing property owners for compensation in
18 proceedings under this title in the appraisal district; or

19 (2) owns property on which delinquent taxes have been
20 owed to a taxing unit for more than 60 days after the date the
21 individual knew or should have known of the delinquency unless:

22 (A) the delinquent taxes and any penalties and
23 interest are being paid under an installment payment agreement
24 under Section 33.02; or

25 (B) a suit to collect the delinquent taxes is
26 deferred or abated under Section 33.06, 33.061, or 33.065.

27 SECTION 5. Section 6.412(a), Tax Code, is amended to read as

1 follows:

2 (a) An individual is ineligible to serve on an appraisal
3 review board if the individual:

4 (1) is related within the second degree by
5 consanguinity or affinity, as determined under Chapter 573,
6 Government Code, to an individual who is engaged in the business of
7 appraising property for compensation for use in proceedings under
8 this title or of representing property owners for compensation in
9 proceedings under this title in the appraisal district for which
10 the appraisal review board is established; or

11 (2) owns property on which delinquent taxes have been
12 owed to a taxing unit for more than 60 days after the date the
13 individual knew or should have known of the delinquency unless:

14 (A) the delinquent taxes and any penalties and
15 interest are being paid under an installment payment agreement
16 under Section 33.02; or

17 (B) a suit to collect the delinquent taxes is
18 deferred or abated under Section 33.06, 33.061, or 33.065.

19 SECTION 6. Section 11.43, Tax Code, is amended by adding
20 Subsections (l) and (m) to read as follows:

21 (l) The form for an application under Section 11.13 must
22 include a space for the applicant to state the applicant's date of
23 birth. Failure to provide the date of birth does not affect the
24 applicant's eligibility for an exemption under that section, other
25 than an exemption under Section 11.13(c) or (d) for an individual 65
26 years of age or older.

27 (m) Notwithstanding Subsections (a) and (k), a person who

1 receives an exemption under Section 11.13, other than an exemption
2 under Section 11.13(c) or (d) for an individual 65 years of age or
3 older, in a tax year is entitled to receive an exemption under
4 Section 11.13(c) or (d) for an individual 65 years of age or older
5 in the next tax year on the same property without applying for the
6 exemption if the person becomes 65 years of age in that next year as
7 shown by information in the records of the appraisal district that
8 was provided to the appraisal district by the individual in an
9 application for an exemption under Section 11.13 on the property or
10 in correspondence relating to the property. This subsection does
11 not apply if the chief appraiser determines that the individual is
12 no longer entitled to any exemption under Section 11.13 on the
13 property.

14 SECTION 7. Section 22.28, Tax Code, is amended by amending
15 Subsection (b) and adding Subsection (c) to read as follows:

16 (b) The chief appraiser shall certify to the assessor for
17 each taxing unit participating in the appraisal district that
18 imposes taxes on the property that the chief appraiser has imposed
19 [~~may retain a portion of~~] a penalty [~~collected~~] under this section
20 [~~, not to exceed 20 percent of the amount of the penalty, to cover~~
21 ~~the chief appraiser's costs of collecting the penalty~~]. The
22 assessor [~~chief appraiser~~] shall add the amount of the penalty to
23 the original amount of tax imposed on the property and shall include
24 that amount in the tax bill for that year. The penalty becomes part
25 of the tax on the property and is secured by the tax lien that
26 attaches to the property under Section 32.01 [~~distribute the~~
27 remainder of the penalty to each taxing unit participating in the

1 ~~appraisal district that imposes taxes on the property in proportion~~
2 ~~to the taxing unit's share of the total amount of taxes imposed on~~
3 ~~the property by all taxing units participating in the district].~~

4 (c) To help defray the costs of administering this chapter,
5 a collector who collects a penalty imposed under Subsection (a)
6 shall remit to the appraisal district that employs the chief
7 appraiser who imposed the penalty an amount equal to five percent of
8 the penalty amount collected.

9 SECTION 8. Section 25.25(d), Tax Code, is amended to read as
10 follows:

11 (d) At any time prior to the date the taxes become
12 delinquent, a property owner or the chief appraiser may file a
13 motion with the appraisal review board to change the appraisal roll
14 to correct an error that resulted in an incorrect appraised value
15 for the owner's property. However, the error may not be corrected
16 unless it resulted in an appraised value that exceeds by more than
17 one-third the correct appraised value. If the appraisal roll is
18 changed under this subsection, the property owner must pay to each
19 affected taxing unit a late-correction penalty equal to 10 percent
20 of the amount of taxes as calculated on the basis of the corrected
21 appraised value. Payment of the late-correction penalty is secured
22 by the lien that attaches to the property under Section 32.01 and is
23 subject to enforced collection under Chapter 33. The roll may not be
24 changed under this subsection if:

25 (1) the property was the subject of a protest brought
26 by the property owner under Chapter 41, a hearing on the protest was
27 conducted in which the property owner offered evidence or argument,

1 and the appraisal review board made a determination of the protest
2 on the merits; or

3 (2) the appraised value of the property was
4 established as a result of a written agreement between the property
5 owner or the owner's agent and the appraisal district.

6 SECTION 9. Section 26.11(c), Tax Code, is amended to read as
7 follows:

8 (c) If the amount of prorated taxes determined to be due as
9 provided by this section is tendered to the collector for the unit,
10 the collector [~~he~~] shall accept the tender. The payment absolves:

11 (1) the transferor of liability for taxes by the unit
12 on the property for the year of the transfer; and

13 (2) the taxing unit of liability for a refund in
14 connection with taxes on the property for the year of the transfer.

15 SECTION 10. Section 31.073, Tax Code, is amended to read as
16 follows:

17 Sec. 31.073. RESTRICTED OR CONDITIONAL PAYMENTS
18 PROHIBITED. A restriction or condition placed on a check in payment
19 of taxes, penalties, or interest by the maker that limits the amount
20 of taxes, penalties, or interest owed to an amount less than that
21 stated in the tax bill or shown by the tax collector's records is
22 void unless the restriction or condition is authorized by this
23 code.

24 SECTION 11. Section 31.08(a), Tax Code, is amended to read
25 as follows:

26 (a) At the request of any person, a collector for a taxing
27 unit shall issue a certificate showing the amount of delinquent

1 taxes, penalties, [~~and~~] interest, and any known costs and expenses
2 under Section 33.48 due the unit on a property according to the
3 unit's current tax records. If the collector collects taxes for
4 more than one taxing unit, the certificate must show the amount of
5 delinquent taxes, penalties, [~~and~~] interest, and any known costs
6 and expenses under Section 33.48 due on the property to each taxing
7 unit for which the collector collects the taxes. The collector
8 shall charge a fee not to exceed \$10 for each certificate issued.
9 The collector shall pay all fees collected under this section into
10 the treasury of the taxing unit that employs the collector [~~him~~].

11 SECTION 12. Section 32.05, Tax Code, is amended by amending
12 Subsections (b) and (c) and adding Subsections (b-1), (d), and (e)
13 to read as follows:

14 (b) Except as provided by Subsection (c)(1) [~~(c) of this~~
15 ~~section~~], a tax lien provided by this chapter takes priority over:

16 (1) the claim of any creditor of a person whose
17 property is encumbered by the lien;

18 (2) [~~and over~~] the claim of any holder of a lien on
19 property encumbered by the tax lien, including any lien held by a
20 property owners' association, homeowners' association, condominium
21 unit owners' association, or council of owners of a condominium
22 regime under a restrictive covenant, condominium declaration,
23 master deed, or other similar instrument that secures regular or
24 special maintenance assessments, fees, dues, interest, fines,
25 costs, attorney's fees, or other monetary charges against the
26 property; and

27 (3) any right of remainder, right or possibility of

1 reverter, or other future interest in, or encumbrance against, the
2 property, whether vested or contingent [~~not the debt or lien~~
3 ~~existed before attachment of the tax lien~~].

4 (b-1) The priority given to a tax lien by Subsection (b)
5 prevails, regardless of whether the debt, lien, future interest, or
6 other encumbrance existed before attachment of the tax lien.

7 (c) A tax lien provided by this chapter is inferior to [~~a~~
8 ~~claim~~]:

9 (1) a claim for any survivor's allowance, funeral
10 expenses, or expenses of the last illness of a decedent made against
11 the estate of a decedent as provided by law;

12 (2) except as provided by Subsection (b)(2), [~~under~~] a
13 recorded restrictive covenant that runs [~~running~~] with the land
14 and was [~~, other than a restrictive covenant in favor of a property~~
15 ~~owners' association or homeowners' association~~] recorded before
16 January 1 of the year the tax lien arose; or

17 (3) [~~under~~] a valid easement of record recorded before
18 January 1 of the year the tax lien arose.

19 (d) In an action brought under Chapter 33 for the enforced
20 collection of a delinquent tax against property, a property owners'
21 association, homeowners' association, condominium unit owners'
22 association, or council of owners of a condominium regime that
23 holds a lien for regular or special maintenance assessments, fees,
24 dues, interest, fines, costs, attorney's fees, or other monetary
25 charges against the property is not a necessary party to the action
26 unless, at the time the action is commenced, notice of the lien in a
27 liquidated amount is evidenced by a sworn instrument duly executed

1 by an authorized person and recorded with the clerk of the county in
2 which the property is located. A tax sale of the property
3 extinguishes the lien held by a property owners' association,
4 homeowners' association, condominium unit owners' association, or
5 council of owners of a condominium regime for all amounts that
6 accrued before the date of sale if:

7 (1) the holder of the lien is joined as a party to an
8 action brought under Chapter 33 by virtue of a notice of the lien on
9 record at the time the action is commenced; or

10 (2) the notice of lien is not on record at the time the
11 action is commenced, regardless of whether the holder of the lien is
12 made a party to the action.

13 (e) The existence of a recorded restrictive covenant,
14 declaration, or master deed that generally provides for the lien
15 held by a property owners' association, homeowners' association,
16 condominium unit owners' association, or council of owners of a
17 condominium regime does not, by itself, constitute actual or
18 constructive notice to a taxing unit of a lien under Subsection (d).

19 SECTION 13. Sections 33.011(a) and (d), Tax Code, are
20 amended to read as follows:

21 (a) The governing body of a taxing unit:

22 (1) shall waive penalties and may provide for the
23 waiver of interest on a delinquent tax if an act or omission of an
24 officer, employee, or agent of the taxing unit or the appraisal
25 district in which the taxing unit participates caused or resulted
26 in the taxpayer's failure to pay the tax before delinquency and if
27 the tax is paid not later than the 21st day after the date the

1 taxpayer knows or should know of the delinquency; and

2 (2) may waive penalties and provide for the waiver of
3 interest on a delinquent tax if:

4 (A) the property for which the tax is owed is
5 acquired by a religious organization; and

6 (B) [~~that qualifies the property for exemption~~
7 ~~under Section 11.20~~] before the first anniversary of the date the
8 religious organization acquires the property, the organization
9 pays the tax and qualifies the property for an exemption under
10 Section 11.20 as evidenced by the approval of the exemption by the
11 chief appraiser under Section 11.45.

12 (d) A request for a waiver of penalties and interest under
13 Subsection (a)(1), (b), or (h) [~~this section~~] must be made before
14 the 181st day after the delinquency date. A request for a waiver of
15 penalties and interest under Subsection (a)(2) must be made before
16 the first anniversary of the date the religious organization
17 acquires the property. To be valid, a waiver of penalties or
18 interest under this section must be requested in writing. If a
19 written request for a waiver is not timely made, the governing body
20 of a taxing unit may not waive any penalties or interest under this
21 section.

22 SECTION 14. Section 33.02(a), Tax Code, is amended to read
23 as follows:

24 (a) The collector for a taxing unit [~~that collects its own~~
25 ~~taxes~~] may enter an agreement with a person delinquent in the
26 payment of the tax for payment of the tax, penalties, and interest
27 in installments. The agreement must be in writing and may not

1 extend for a period of more than 36 months.

2 SECTION 15. Subchapter A, Chapter 33, Tax Code, is amended
3 by adding Section 33.045 to read as follows:

4 Sec. 33.045. NOTICE OF PROVISIONS AUTHORIZING DEFERRAL OR
5 ABATEMENT. (a) A tax bill mailed by an assessor or collector under
6 Section 31.01 and any written communication delivered to a property
7 owner by an assessor or collector for a taxing unit or an attorney
8 or other agent of a taxing unit that specifically threatens a
9 lawsuit to collect a delinquent tax shall contain the following
10 explanation in capital letters: "IF YOU ARE 65 YEARS OF AGE OR OLDER
11 OR ARE DISABLED AND THE PROPERTY DESCRIBED IN THIS DOCUMENT IS YOUR
12 RESIDENCE HOMESTEAD, YOU SHOULD CONTACT THE APPRAISAL DISTRICT
13 REGARDING ANY ENTITLEMENT YOU MAY HAVE TO A POSTPONEMENT IN THE
14 PAYMENT OF THESE TAXES.".

15 (b) This section does not apply to a communication that
16 relates to taxes that are the subject of pending litigation.

17 SECTION 16. The heading to Section 33.06, Tax Code, is
18 amended to read as follows:

19 Sec. 33.06. DEFERRED COLLECTION OF TAXES ON RESIDENCE
20 HOMESTEAD OF [~~ELDERLY OR~~] DISABLED PERSON.

21 SECTION 17. Sections 33.06(a) and (b), Tax Code, are
22 amended to read as follows:

23 (a) An individual is entitled to defer collection of a tax,
24 abate a suit to collect a delinquent tax, or abate a sale to
25 foreclose a tax lien if [~~the individual~~]:

26 (1) the individual [~~is 65 years of age or older or~~] is
27 disabled as defined by Section 11.13(m); and

1 (2) the tax was imposed against property that the
2 individual owns and occupies as a residence homestead.

3 (b) To obtain a deferral, an individual must file with the
4 chief appraiser for the appraisal district in which the property is
5 located an affidavit stating the facts required to be established
6 by Subsection (a). The chief appraiser shall notify each taxing
7 unit participating in the district of the filing. After an
8 affidavit is filed under this subsection, a taxing unit may not file
9 or threaten to file suit to collect delinquent taxes on the property
10 or take other action against the individual to collect delinquent
11 taxes on the property and the property may not be sold at a sale to
12 foreclose the tax lien until the 181st day after the date the
13 individual no longer owns and occupies the property as a residence
14 homestead.

15 SECTION 18. Subchapter A, Chapter 33, Tax Code, is amended
16 by adding Section 33.061 to read as follows:

17 Sec. 33.061. AUTOMATIC DEFERRAL OR ABATEMENT OF COLLECTION
18 OF TAXES ON RESIDENCE HOMESTEAD OF ELDERLY PERSON. (a) This
19 section applies only to property that an individual who is 65 years
20 of age or older owns and occupies as a residence homestead.

21 (b) A taxing unit may not file or threaten to file suit to
22 collect delinquent taxes on the property or take other action
23 against the individual to collect delinquent taxes on the property
24 and the property may not be sold at a sale to foreclose the tax lien
25 until the 181st day after the date the individual no longer owns and
26 occupies the property as a residence homestead. This subsection
27 does not prohibit a taxing unit or an attorney or other agent of a

1 taxing unit from delivering to an individual a notice that
2 delinquent taxes are owing on the individual's residence homestead.

3 (c) If property is sold in violation of this section, the
4 property owner may file a motion to set aside the sale under the
5 same cause number and in the same court as a judgment referenced in
6 the order of sale. The motion must be filed during the applicable
7 redemption period as set forth in Section 34.21. This right is not
8 transferable to a third party.

9 (d) This section does not affect the duty of the assessor
10 for the taxing unit to prepare and mail a bill for the taxes on the
11 property as provided by Section 31.01. A tax lien remains on the
12 property and interest continues to accrue during the period that
13 collection of taxes is deferred or abated under this section. The
14 annual interest rate during the period of deferral or abatement is
15 eight percent instead of the rate provided by Section 33.01.
16 Interest and penalties that accrued or that were incurred or
17 imposed under Section 33.01 or 33.07 before the date the individual
18 attained the age of 65 are preserved. A penalty under Section 33.01
19 is not incurred during a period of deferral or abatement. The
20 additional penalty under Section 33.07 may be imposed and collected
21 only if the taxes for which collection is deferred or abated remain
22 delinquent on or after the 181st day after the date the period of
23 deferral or abatement expires. A plea of limitation, laches, or
24 want of prosecution does not apply against the taxing unit because
25 of a deferral or abatement of collection under this section.

26 (e) Each year the chief appraiser for each appraisal
27 district shall publicize in a manner reasonably designed to notify

1 all residents of the district or county of the provisions of this
2 section.

3 (f) For the first tax year that an individual who qualifies
4 for a deferral or abatement under this section or a person acting on
5 behalf of the individual fails to pay the taxes on the property
6 before the delinquency date, the collector for the taxing unit, not
7 later than the 15th day after the date the taxes become delinquent,
8 shall mail the individual a notice in the following form:

9 "Dear Property Owner:

10 "The records of (name of taxing unit) indicate that the (tax
11 year) property taxes on your home were not paid before the
12 delinquency date. The law entitles you to an automatic deferral or
13 abatement of those taxes. This means that the governmental
14 entities that impose property taxes on your home may not sue you,
15 threaten to sue you, sell your home at a tax sale, or take any other
16 action to collect the delinquent taxes if you elect not to pay them
17 for as long as you continue to own and occupy your home. Your unpaid
18 taxes will accrue interest at the rate of eight percent per year,
19 and the entire amount will become due and payable once you cease to
20 own or occupy the home.

21 "You have the right to waive this deferral or abatement by
22 filing a signed statement with the chief appraiser of the (name of
23 county) appraisal district stating that you elect not to receive
24 the deferral or abatement.

25 "Whether you choose to waive the deferral or abatement, you
26 may pay your property taxes voluntarily in any year. (Name of
27 taxing unit) will continue to mail you a tax bill each year so that

1 you will know your tax liability. If your home is subject to a
2 mortgage or deed of trust, you should consult with your mortgage
3 lender or the beneficiary under your deed of trust before you elect
4 to accept or waive the deferral or abatement. Failure to pay taxes
5 timely may violate your mortgage or deed of trust.

6 "If you have any questions about this notice, please call or
7 write us. You may also contact the state comptroller's property tax
8 division at (current telephone number for the comptroller's
9 property tax division)."

10 (g) A taxing unit shall include in a notice under Subsection
11 (f) its name, address, and telephone number and any information
12 necessary to identify the property but may not include any other
13 information. The collector for a taxing unit who mails a notice
14 under Subsection (f) to an individual who qualifies for a deferral
15 or abatement under this section and whose taxes on the property for
16 a tax year are not paid before the delinquency date may mail a
17 notice as provided by Subsection (f) for any subsequent tax year for
18 which the individual's taxes on the property are not paid before
19 that date.

20 (h) If an individual who is 65 years of age or older dies,
21 the deferral or abatement of the collection of taxes on the property
22 continues in effect until the 181st day after the date the surviving
23 spouse of the individual no longer owns and occupies the property as
24 a residence homestead if:

25 (1) the property was the residence homestead of the
26 deceased spouse when the deceased spouse died;

27 (2) the surviving spouse was 55 years of age or older

1 when the deceased spouse died; and

2 (3) the property was the residence homestead of the
3 surviving spouse when the deceased spouse died.

4 (i) An individual may elect not to receive a deferral or
5 abatement under this section. An individual who elects not to
6 receive the deferral or abatement shall file with the chief
7 appraiser for the appraisal district in which the property is
8 located a written statement signed by the individual affirmatively
9 stating that the individual elects not to receive the deferral or
10 abatement. The election is effective on the date the chief
11 appraiser receives the individual's written statement. The chief
12 appraiser shall notify each taxing unit participating in the
13 district of the individual's election.

14 SECTION 19. Section 33.22, Tax Code, is amended by adding
15 Subsections (d) and (e) to read as follows:

16 (d) A collector is entitled to recover attorney's fees in an
17 amount equal to the compensation specified in the contract with the
18 attorney if:

19 (1) recovery of the attorney's fees is requested in the
20 application for the tax warrant;

21 (2) the taxing unit served by the collector contracts
22 with an attorney under Section 6.30;

23 (3) the existence of the contract and the amount of
24 attorney's fees that equals the compensation specified in the
25 contract are supported by the affidavit of the collector; and

26 (4) the tax sought to be recovered is not subject to
27 the additional penalty under Section 33.07 or 33.08 at the time the

1 application is filed.

2 (e) If a taxing unit is represented by an attorney who is
3 also an officer or employee of the taxing unit, the collector for
4 the taxing unit is entitled to recover attorney's fees in an amount
5 equal to 15 percent of the total amount of delinquent taxes,
6 penalties, and interest that the property owner owes the taxing
7 unit.

8 SECTION 20. Section 33.23(a), Tax Code, is amended to read
9 as follows:

10 (a) A tax warrant shall direct a peace officer in the county
11 and the collector to seize as much of the person's personal property
12 as may be reasonably necessary for the payment of all taxes,
13 penalties, ~~and~~ interest, and attorney's fees included in the
14 application and all costs of seizure and sale. The warrant shall
15 direct the person whose property is seized to disclose to the
16 officer executing the warrant the name and the address if known of
17 any other person having an interest in the property.

18 SECTION 21. Section 33.25, Tax Code, is amended by amending
19 Subsections (f) and (h) and adding Subsection (i) to read as
20 follows:

21 (f) The proceeds of a sale of property under this section
22 shall be applied to:

23 (1) any compensation owed to or any expense advanced
24 by the licensed auctioneer under an agreement entered into under
25 Subsection (b) or a service provider under an agreement entered
26 into under Subsection (c);

27 (2) all usual costs, expenses, and fees of the seizure

1 and sale, payable to the peace officer conducting the sale;

2 (3) all additional expenses incurred in advertising
3 the sale or in removing, storing, preserving, or safeguarding the
4 seized property pending its sale;

5 (4) all usual court costs payable to the clerk of the
6 court that issued the tax warrant; and

7 (5) taxes, penalties, ~~and~~ interest, and attorney's
8 fees included in the application for warrant.

9 (h) After a seizure of personal property defined by Sections
10 33.21(d)(2)-(5), the collector shall apply the seized property
11 toward the payment of the taxes, penalties, ~~and~~ interest, and
12 attorney's fees included in the application for warrant and all
13 costs of the seizure as required by Subsection (f).

14 (i) After a tax warrant is issued, the seizure or sale of the
15 property may be canceled and terminated at any time by the applicant
16 or an authorized agent or attorney of the applicant.

17 SECTION 22. Section 33.43(a), Tax Code, is amended to read
18 as follows:

19 (a) A petition initiating a suit to collect a delinquent
20 property tax is sufficient if it alleges that:

21 (1) the taxing unit is legally constituted and
22 authorized to impose and collect ad valorem taxes on property;

23 (2) tax in a stated amount was legally imposed on each
24 separately described property for each year specified and on each
25 person named if known who owned the property on January 1 of the
26 year for which the tax was imposed;

27 (3) the tax was imposed in the county in which the suit

1 is filed;

2 (4) the tax is delinquent;

3 (5) penalties, interest, and costs authorized by law
4 in a stated amount for each separately assessed property are due;

5 (6) the taxing unit is entitled to recover each
6 penalty that is incurred and all interest that accrues on
7 delinquent taxes imposed on the property from the date of the
8 judgment to the date of the sale under Section 34.01 or under
9 Section 253.010, Local Government Code, as applicable, if the suit
10 seeks to foreclose a tax lien;

11 (7) the person sued owned the property on January 1 of
12 the year for which the tax was imposed if the suit seeks to enforce
13 personal liability;

14 (8) the person sued owns the property when the suit is
15 filed if the suit seeks to foreclose a tax lien;

16 (9) the taxing unit asserts a lien on each separately
17 described property to secure the payment of all taxes, penalties,
18 interest, and costs due if the suit seeks to foreclose a tax lien;

19 (10) all things required by law to be done have been
20 done properly by the appropriate officials; ~~and~~

21 (11) the attorney signing the petition or a person
22 acting on the attorney's behalf has reviewed the records of the
23 taxing unit or appraisal district and that the records reviewed do
24 not show that the property described in the petition is the
25 residence homestead of a person who is disabled or 65 years of age
26 or older; and

27 (12) the attorney signing the petition is legally

1 authorized to prosecute the suit on behalf of the taxing unit.

2 SECTION 23. Section 33.48, Tax Code, is amended by adding
3 Subsection (d) to read as follows:

4 (d) A collector who accepts a payment of the court costs and
5 other expenses described by this section shall disburse the amount
6 of the payment as follows:

7 (1) amounts owing under Subsections (a)(1), (2), (3),
8 and (6) are payable to the clerk of the court in which the suit is
9 pending; and

10 (2) expenses described by Subsection (a)(4) are
11 payable to the general fund of the taxing unit or to the person or
12 entity who advanced the expense.

13 SECTION 24. Section 33.51, Tax Code, is amended to read as
14 follows:

15 Sec. 33.51. WRIT OF POSSESSION. (a) If the court orders
16 the foreclosure of a tax lien and the sale of real property, the
17 judgment shall provide for the issuance by the clerk of said court
18 of a writ of possession to the purchaser at the sale or to the
19 purchaser's assigns no sooner than 20 days following the date on
20 which the purchaser's deed from the sheriff or constable is filed of
21 record.

22 (b) The officer charged with executing the writ shall place
23 the purchaser or the purchaser's assigns in possession of the
24 property described in the purchaser's deed without further order
25 from any court and in the manner provided by the writ, subject to
26 any notice to vacate that may be required to be given to a tenant
27 under Section 24.005(b), Property Code.

1 (c) The writ of possession shall order the officer executing
2 the writ to:

3 (1) post a written warning that is at least 8-1/2 by 11
4 inches on the exterior of the front door of the premises notifying
5 the occupant that the writ has been issued and that the writ will be
6 executed on or after a specific date and time stated in the warning
7 that is not sooner than the 10th day after the date the warning is
8 posted; and

9 (2) on execution of the writ:

10 (A) deliver possession of the premises to the
11 purchaser or the purchaser's assigns;

12 (B) instruct the occupants to immediately leave
13 the premises and, if the occupants fail or refuse to comply,
14 physically remove them from the premises;

15 (C) instruct the occupants to remove, or to allow
16 the purchaser or purchaser's assigns, representatives, or other
17 persons acting under the officer's supervision to remove, all
18 personal property from the premises; and

19 (D) place, or have an authorized person place,
20 the removed personal property outside the premises at a nearby
21 location, but not so as to block a public sidewalk, passageway, or
22 street and not while it is raining, sleeting, or snowing.

23 (d) The writ of possession shall authorize the officer, at
24 the officer's discretion, to engage the services of a bonded or
25 insured warehouseman to remove and store, subject to applicable
26 law, all or part of the personal property at no cost to the
27 purchaser, the purchaser's assigns, or the officer executing the

1 writ. The officer may not require the purchaser or the purchaser's
2 assigns to store the personal property.

3 (e) The writ of possession shall contain notice to the
4 officer that under Section 7.003, Civil Practice and Remedies Code,
5 the officer is not liable for damages resulting from the execution
6 of the writ if the officer executes the writ in good faith and with
7 reasonable diligence.

8 (f) The warehouseman's lien on stored property, the
9 officer's duties, and the occupants' rights of redemption as
10 provided by Section 24.0062, Property Code, are all applicable with
11 respect to any personal property that is removed under Subsection
12 (d).

13 (g) A sheriff or constable may use reasonable force in
14 executing a writ under this section.

15 (h) If a taxing unit is a purchaser and is entitled to a writ
16 of possession in the taxing unit's name:

17 (1) a bond may not be required of the taxing unit for
18 issuance or delivery of a writ of possession; and

19 (2) a fee or court cost may not be charged for issuance
20 or delivery of a writ of possession.

21 (i) In this section:

22 (1) "Premises" means all of the property described in
23 the purchaser's deed, including the buildings, dwellings, or other
24 structures located on the property.

25 (2) "Purchaser" includes a taxing unit to which
26 property is bid off under Section 34.01(j).

27 SECTION 25. Subchapter C, Chapter 33, Tax Code, is amended

1 by adding Section 33.57 to read as follows:

2 Sec. 33.57. ALTERNATIVE NOTICE OF TAX FORECLOSURE ON
3 CERTAIN PARCELS OF REAL PROPERTY. (a) In this section, "appraised
4 value" means the appraised value according to the most recent
5 appraisal roll approved by the appraisal review board.

6 (b) This section may be invoked and used by one or more
7 taxing units if there are delinquent taxes, penalties, interest,
8 and attorney's fees owing to a taxing unit on a parcel of real
9 property and:

10 (1) the total amount of delinquent taxes, penalties,
11 interest, and attorney's fees owed exceeds the appraised value of
12 the parcel; or

13 (2) there are 10 or more years for which delinquent
14 taxes are owed on the parcel.

15 (c) One or more taxing units may file a single petition for
16 foreclosure under this section that includes multiple parcels of
17 property and multiple owners. Alternatively, separate petitions
18 may be filed and docketed separately for each parcel of property.
19 Another taxing unit with a tax claim against the same parcel may
20 intervene in an action for the purpose of establishing and
21 foreclosing its tax lien without further notice to a defendant. The
22 petition must be filed in the county in which the tax was imposed
23 and is sufficient if it is in substantially the form prescribed by
24 Section 33.43 and further alleges that:

25 (1) the amount owed in delinquent taxes, penalties,
26 interest, and attorney's fees exceeds the appraised value of the
27 parcel; or

1 (2) there are 10 or more years for which delinquent
2 taxes are owed on the parcel.

3 (d) Simultaneously with the filing of the petition under
4 this section, a taxing unit shall also file a motion with the court
5 seeking an order approving notice of the petition to each defendant
6 by certified mail in lieu of citation and, if the amount of
7 delinquent taxes, penalties, interest, and attorney's fees alleged
8 to be owed exceeds the appraised value of the parcel, waiving the
9 appointment of an attorney ad litem. The motion must be supported
10 by certified copies of tax records that show the tax years for which
11 delinquent taxes are owed, the amounts of delinquent taxes,
12 penalties, interest, and attorney's fees, and, if appropriate, the
13 appraised value of the parcel.

14 (e) The court shall approve a motion under Subsection (d) if
15 the documents in support of the motion show that:

16 (1) the amount of delinquent taxes, penalties,
17 interest, and attorney's fees that are owed exceeds the appraised
18 value of the parcel; or

19 (2) there are 10 or more years for which delinquent
20 taxes are owed on the parcel.

21 (f) Before filing a petition under this section, or as soon
22 afterwards as practicable, the taxing unit or its attorney shall
23 determine the address of each owner of a property interest in the
24 parcel for the purpose of providing notice of the pending petition.
25 If the title search, the taxing unit's tax records, and the
26 appraisal district records do not disclose an address of a person
27 with a property interest, consulting the following sources of

1 information is to be considered a reasonable effort by the taxing
2 unit or its attorney to determine the address of a person with a
3 property interest in the parcel subject to foreclosure:

4 (1) telephone directories, electronic or otherwise,
5 that cover:

6 (A) the area of any last known address for the
7 person; and

8 (B) the county in which the parcel is located;

9 (2) voter registration records in the county in which
10 the parcel is located; and

11 (3) where applicable, assumed name records maintained
12 by the county clerk of the county in which the parcel is located and
13 corporate records maintained by the secretary of state.

14 (g) Not later than the 45th day before the date on which a
15 hearing on the merits on a taxing unit's petition is scheduled, the
16 taxing unit or its attorney shall send a copy of the petition and a
17 notice by certified mail to each person whose address is determined
18 under Subsection (f), informing the person of the pending
19 foreclosure action and the scheduled hearing. A copy of each notice
20 shall be filed with the clerk of the court together with an
21 affidavit by the tax collector or by the taxing unit's attorney
22 attesting to the fact and date of mailing of the notice.

23 (h) In addition to the notice required by Subsection (g),
24 the taxing unit shall provide notice by publication and by posting
25 to all persons with a property interest in the parcel subject to
26 foreclosure. The notice shall be published in the English language
27 once a week for two weeks in a newspaper that is published in the

1 county in which the parcel is located and that has been in general
2 circulation for at least one year immediately before the date of the
3 first publication, with the first publication to be not less than
4 the 45th day before the date on which the taxing unit's petition is
5 scheduled to be heard. When returned and filed in the trial court,
6 an affidavit of the editor or publisher of the newspaper attesting
7 to the date of publication, together with a printed copy of the
8 notice as published, is sufficient proof of publication under this
9 subsection. If a newspaper is not published in the county in which
10 the parcel is located, publication in an otherwise qualifying
11 newspaper published in an adjoining county is sufficient. The
12 maximum fee for publishing the citation shall be the lowest
13 published word or line rate of that newspaper for classified
14 advertising. The notice by posting shall be in the English language
15 and given by posting a copy of the notice at the courthouse door of
16 the county in which the foreclosure is pending not less than the
17 45th day before the date on which the taxing unit's petition is
18 scheduled to be heard. Proof of the posting of the notice shall be
19 made by affidavit of the attorney for the taxing unit, or of the
20 person posting it. If the publication of the notice cannot be had
21 for the maximum fee established in this subsection, and that fact is
22 supported by the affidavit of the attorney for the taxing unit, the
23 notice by posting under this subsection is sufficient.

24 (i) The notice required by Subsections (g) and (h) must
25 include:

26 (1) a statement that foreclosure proceedings have been
27 commenced and the date the petition was filed;

1 (2) a legal description, tax account number, and, if
2 known, a street address for the parcel in which the addressee owns a
3 property interest;

4 (3) the name of the person to whom the notice is
5 addressed and the name of each other person who, according to the
6 title search, has an interest in the parcel in which the addressee
7 owns a property interest;

8 (4) the date, time, and place of the scheduled hearing
9 on the petition;

10 (5) a statement that the recipient of the notice may
11 lose whatever property interest the recipient owns in the parcel as
12 a result of the hearing and any subsequent tax sale;

13 (6) a statement explaining how a person may contest
14 the taxing unit's petition as provided by Subsection (j) and that a
15 person's interest in the parcel may be preserved by paying all
16 delinquent taxes, penalties, interest, attorney's fees, and court
17 costs before the date of the scheduled hearing on the petition;

18 (7) the name, address, and telephone number of the
19 taxing unit and the taxing unit's attorney of record; and

20 (8) the name of each other taxing unit that imposes
21 taxes on the parcel, together with a notice that any taxing unit may
22 intervene without further notice and set up its claims for
23 delinquent taxes.

24 (j) A person claiming a property interest in a parcel
25 subject to foreclosure may contest a taxing unit's petition by
26 filing with the clerk of the court a written response to the
27 petition not later than the seventh day before the date scheduled

1 for hearing on the petition and specifying in the response any
2 affirmative defense of the person. A copy of the response must be
3 served on the taxing unit's attorney of record in the manner
4 required by Rule 21a, Texas Rules of Civil Procedure. The taxing
5 unit is entitled on request to a continuance of the hearing if a
6 written response filed to a notice of the hearing contains an
7 affirmative defense or requests affirmative relief against the
8 taxing unit.

9 (k) Before entry of a judgment under this section, a taxing
10 unit may remove a parcel erroneously included in the petition and
11 may take a voluntary nonsuit as to one or more parcels of property
12 without prejudicing its action against the remaining parcels.

13 (l) If before the hearing on a taxing unit's petition the
14 taxing unit discovers a deficiency in the provision of notice under
15 this section, the taxing unit shall take reasonable steps in good
16 faith to correct the deficiency before the hearing. A notice
17 provided by Subsections (g)-(i) is in lieu of citation issued and
18 served under Rule 117a, Texas Rules of Civil Procedure. Regardless
19 of the manner in which notice under this section is given, an
20 attorney ad litem may not be appointed for a person with an interest
21 in a parcel with delinquent taxes, penalties, interest, and
22 attorney's fees against the parcel in an amount that exceeds the
23 parcel's appraised value. To the extent of any additional conflict
24 between this section and the Texas Rules of Civil Procedure, this
25 section controls. Except as otherwise provided by this section, a
26 suit brought under this section is governed generally by the Texas
27 Rules of Civil Procedure and by Subchapters C and D of this chapter.

1 (m) A judgment in favor of a taxing unit under this section
2 must be only for foreclosure of the tax lien against the parcel.
3 The judgment may not include a personal judgment against any
4 person.

5 (n) A person is considered to have been provided sufficient
6 notice of foreclosure and opportunity to be heard for purposes of a
7 proceeding under this section if the taxing unit follows the
8 procedures required by this section for notice by certified mail or
9 by publication and posting or if one or more of the following apply:

10 (1) the person had constructive notice of the hearing
11 on the merits by acquiring an interest in the parcel after the date
12 of the filing of the taxing unit's petition;

13 (2) the person appeared at the hearing on the taxing
14 unit's petition or filed a responsive pleading or other
15 communication with the clerk of the court before the date of the
16 hearing; or

17 (3) before the hearing on the taxing unit's petition,
18 the person had actual notice of the hearing.

19 SECTION 26. Section 41.097(a), Education Code, is amended
20 to read as follows:

21 (a) The total amount required under Section 41.093 for a
22 district to purchase attendance credits under this subchapter for
23 any school year is reduced by an amount equal to the product of the
24 district's total costs under Section 6.06, Tax Code, for the
25 [~~central~~] appraisal district or districts in which it participates
26 multiplied by a percentage that is computed by dividing the total
27 amount required under Section 41.093 by the total amount of taxes

1 imposed in the district for that year less any amounts paid into a
2 tax increment fund under Chapter 311, Tax Code.

3 SECTION 27. Section 41.210(b), Education Code, is amended
4 to read as follows:

5 (b) As soon as practicable after the detachment and
6 annexation of property, the chief appraiser of the appraisal
7 district in which the property is located [~~for the school district~~
8 ~~from which the property is detached~~] shall send a written notice of
9 the detachment and annexation to the owner of any property taxable
10 in a different school district as a result of the detachment and
11 annexation. The notice must include the name of the school district
12 by which the property is taxable after the detachment and
13 annexation.

14 SECTION 28. Section 403.302(d), Government Code, is amended
15 to read as follows:

16 (d) For the purposes of this section, "taxable value" means
17 the market value of all taxable property less:

18 (1) the total dollar amount of any residence homestead
19 exemptions lawfully granted under Section 11.13(b) or (c), Tax
20 Code, in the year that is the subject of the study for each school
21 district;

22 (2) one-half of the total dollar amount of any
23 residence homestead exemptions granted under Section 11.13(n), Tax
24 Code, in the year that is the subject of the study for each school
25 district;

26 (3) the total dollar amount of any exemptions granted
27 before May 31, 1993, within a reinvestment zone under agreements

1 authorized by Chapter 312, Tax Code;

2 (4) subject to Subsection (e), the total dollar amount
3 of any captured appraised value of property that:

4 (A) is within a reinvestment zone created on or
5 before May 31, 1999, or is proposed to be included within the
6 boundaries of a reinvestment zone as the boundaries of the zone and
7 the proposed portion of tax increment paid into the tax increment
8 fund by a school district are described in a written notification
9 provided by the municipality or the board of directors of the zone
10 to the governing bodies of the other taxing units in the manner
11 provided by Section 311.003(e), Tax Code, before May 31, 1999, and
12 within the boundaries of the zone as those boundaries existed on
13 September 1, 1999, including subsequent improvements to the
14 property regardless of when made;

15 (B) generates taxes paid into a tax increment
16 fund created under Chapter 311, Tax Code, under a reinvestment zone
17 financing plan approved under Section 311.011(d), Tax Code, on or
18 before September 1, 1999; and

19 (C) is eligible for tax increment financing under
20 Chapter 311, Tax Code;

21 (5) the total dollar amount of any exemptions granted
22 under Section 11.251, Tax Code;

23 (6) the difference between the comptroller's estimate
24 of the market value and the productivity value of land that
25 qualifies for appraisal on the basis of its productive capacity,
26 except that the productivity value estimated by the comptroller may
27 not exceed the fair market value of the land;

1 (7) the portion of the appraised value of residence
2 homesteads of individuals who receive a tax limitation under
3 Section 11.26, Tax Code, on which school district taxes are not
4 imposed in the year that is the subject of the study, calculated as
5 if the residence homesteads were appraised at the full value
6 required by law;

7 (8) a portion of the market value of property not
8 otherwise fully taxable by the district at market value because of:

9 (A) action required by statute or the
10 constitution of this state that, if the tax rate adopted by the
11 district is applied to it, produces an amount equal to the
12 difference between the tax that the district would have imposed on
13 the property if the property were fully taxable at market value and
14 the tax that the district is actually authorized to impose on the
15 property, if this subsection does not otherwise require that
16 portion to be deducted; or

17 (B) action taken by the district under Subchapter
18 B or C, Chapter 313, Tax Code;

19 (9) the market value of all tangible personal
20 property, other than manufactured homes, owned by a family or
21 individual and not held or used for the production of income;

22 (10) the appraised value of property the collection of
23 delinquent taxes on which is deferred under Section 33.06 or
24 33.061, Tax Code;

25 (11) the portion of the appraised value of property
26 the collection of delinquent taxes on which is deferred under
27 Section 33.065, Tax Code; and

1 (12) the amount by which the market value of a
2 residence homestead to which Section 23.23, Tax Code, applies
3 exceeds the appraised value of that property as calculated under
4 that section.

5 SECTION 29. Section 12.002(e), Property Code, is amended to
6 read as follows:

7 (e) A person may not file for record or have recorded in the
8 county clerk's office a plat or replat of a subdivision of real
9 property unless the plat or replat has attached to it an original
10 tax certificate from each taxing unit with jurisdiction of the real
11 property indicating that no delinquent ad valorem taxes are owed on
12 the real property. This subsection does not apply if:

13 (1) more than one person acquired the real property
14 from a decedent under a will or by inheritance and those persons
15 owning an undivided interest in the property obtained approval to
16 subdivide the property to provide each person with a divided
17 interest and a separate title to the property; or

18 (2) a taxing unit acquired the real property for
19 public use through eminent domain proceedings or voluntary sale.

20 SECTION 30. Subchapter B, Chapter 21, Property Code, is
21 amended by adding Section 21.0211 to read as follows:

22 Sec. 21.0211. PAYMENT OF AD VALOREM TAXES. (a) A court may
23 not authorize withdrawal of any money deposited under Section
24 21.021 unless the petitioner for the money files with the court:

25 (1) a tax certificate issued under Section 31.08, Tax
26 Code, by the tax collector for each taxing unit that imposes ad
27 valorem taxes on the condemned property showing that there are no

1 delinquent taxes, penalties, interest, or costs owing on the
2 condemned property or on any larger tract of which the condemned
3 property forms a part; and

4 (2) in the case of a whole taking that occurs after the
5 date the ad valorem tax bill for taxes imposed by a taxing unit on
6 the property is sent, a tax receipt issued under Section 31.075, Tax
7 Code, by the tax collector of the taxing unit that imposes ad
8 valorem taxes showing that the taxes on the condemned property for
9 the current tax year, prorated under Section 26.11, Tax Code, have
10 been paid.

11 (b) For purposes of Subsection (a)(2), a "case of a whole
12 taking" means a case in which the location, size, and boundaries of
13 the property assessed for ad valorem taxes are identical to that of
14 the condemned property.

15 SECTION 31. Section 17.091(a), Civil Practice and Remedies
16 Code, is amended to read as follows:

17 (a) In a suit to collect delinquent property taxes by the
18 state or a subdivision of the state in which a person who is a
19 defendant is a nonresident, the secretary of state is an agent for
20 service of process on that defendant if the defendant owns, has, or
21 claims an interest in or a lien against property in this state that
22 is the subject of the suit.

23 SECTION 32. Section 31.073, Tax Code, as amended by this
24 Act, applies only to payments of taxes, penalties, or interest that
25 are made on or after the effective date of this Act.

26 SECTION 33. Section 32.05, Tax Code, as amended by this Act,
27 applies to any lien, regardless of the date on which it arose, and

1 to any cause of action pending on the effective date of this Act or
2 brought after that date.

3 SECTION 34. Section 33.011, Tax Code, as amended by this
4 Act, applies only to a request for a waiver of penalty or interest
5 made on or after the effective date of this Act. A request for a
6 waiver made before the effective date of this Act is governed by the
7 law as it existed immediately before the effective date of this Act,
8 and the former law is continued in effect for that purpose.

9 SECTION 35. Section 33.02, Tax Code, as amended by this Act,
10 applies to an installment agreement entered before, on, or after
11 the effective date of this Act.

12 SECTION 36. Section 33.22, Tax Code, as amended by this Act,
13 applies only to a tax warrant proceeding pending on the effective
14 date of this Act or brought after that date.

15 SECTION 37. Section 33.23, Tax Code, as amended by this Act,
16 applies only to a tax warrant issued on or after the effective date
17 of this Act. A tax warrant issued before the effective date of this
18 Act is governed by the law as it existed immediately before the
19 effective date of this Act, and the former law is continued in
20 effect for that purpose.

21 SECTION 38. Section 33.25, Tax Code, as amended by this Act,
22 applies only to a tax warrant proceeding in which the application
23 for tax warrant was filed on or after the effective date of this
24 Act. A tax warrant proceeding commenced by application before the
25 effective date of this Act is governed by the law as it existed
26 immediately before the effective date of this Act, and the former
27 law is continued in effect for that purpose.

1 SECTION 39. Section 33.48, Tax Code, as amended by this Act,
2 applies only to a cause of action pending on the effective date of
3 this Act or brought after that date.

4 SECTION 40. Section 33.51, Tax Code, as amended by this Act,
5 applies to a writ of possession that is based on a judgment entered
6 before, on, or after the effective date of this Act.

7 SECTION 41. Section 33.57, Tax Code, as added by this Act,
8 applies only to a cause of action pending on the effective date of
9 this Act or brought after the effective date of this Act.

10 SECTION 42. Section 12.002(e), Property Code, as amended by
11 this Act, applies only to a plat or replat of a subdivision that is
12 filed for recordation on or after the effective date of this Act. A
13 plat or replat of a subdivision that was filed for recordation
14 before the effective date of this Act is governed by the law in
15 effect immediately before the effective date of this Act, and the
16 former law is continued in effect for that purpose.

17 SECTION 43. Section 21.0211, Property Code, as added by
18 this Act, applies only to an eminent domain proceeding that is
19 commenced on or after the effective date of this Act. An eminent
20 domain proceeding commenced before the effective date of this Act
21 is governed by the law as it existed immediately before the
22 effective date of this Act, and the former law is continued in
23 effect for that purpose.

24 SECTION 44. Section 17.091, Civil Practice and Remedies
25 Code, as amended by this Act, applies only to a cause of action
26 pending on the effective date of this Act or brought after the
27 effective date of this Act.

1 SECTION 45. Section 11.43(m), Tax Code, as added by this
2 Act, applies only to eligibility for an exemption from ad valorem
3 taxation under Section 11.13(c) or (d), Tax Code, for an individual
4 65 years of age or older for a tax year beginning on or after January
5 1, 2006.

6 SECTION 46. The following statutes are repealed:

- 7 (1) Section 13.007, Education Code;
8 (2) Sections 6.02(b)-(g), Tax Code;
9 (3) Section 6.025, Tax Code; and
10 (4) Section 6.03(m), Tax Code.

11 SECTION 47. (a) The changes in law made by this Act
12 relating to the appraisal of property for ad valorem tax purposes
13 apply only to the appraisal of property for a tax year that begins
14 on or after January 1, 2006.

15 (b) The term of each appraisal district director in an
16 appraisal district described by Section 6.025, Tax Code, as that
17 law existed immediately before September 1, 2005, serving a
18 staggered term that but for this subsection would expire after
19 January 1, 2006, expires on January 1, 2006. The appraisal district
20 board of directors shall fill the vacant directorships as soon as
21 practicable after January 1, 2006, as provided by Section 6.03(1),
22 Tax Code.

23 (c) Notwithstanding Section 6.03, Tax Code, a taxing unit is
24 entitled to vote in 2005 for appraisal district directors for terms
25 beginning on January 1, 2006, in each appraisal district in which
26 the taxing unit will participate in 2006 under the law as amended by
27 this Act. The voting entitlement of each taxing unit entitled to

1 vote for directors in 2005 is determined for each appraisal
2 district by dividing the total dollar amount of property taxes
3 imposed by the taxing unit for the 2004 tax year in the county for
4 which the appraisal district is established by the sum of the total
5 dollar amount of property taxes imposed in that county for that year
6 by each taxing unit that is entitled to vote for directors of that
7 appraisal district under this subsection in 2005, by multiplying
8 the quotient by 1,000, and by rounding the product to the nearest
9 whole number. That number is multiplied by the number of
10 directorships to be filled. A taxing unit located in two or more
11 counties is entitled to vote in the appraisal district established
12 for each county in which it is located, but only the taxes imposed
13 in 2004 in the county for which a district is established are used
14 to calculate the 2005 voting entitlement in that district.

15 (d) Notwithstanding Section 6.06, Tax Code, not later than
16 September 15, 2005, the chief appraiser of each appraisal district
17 shall revise the proposed 2006 budget for the district, if
18 necessary, to account for the changes in law made by this Act.

19 (e) Notwithstanding Section 6.06, Tax Code, for the 2006 tax
20 year, each taxing unit participating in an appraisal district in
21 2006 is allocated a portion of the amount of the 2006 budget for the
22 district equal to the proportion that the total dollar amount of
23 property taxes imposed in the county for which the district is
24 established by the unit for the 2005 tax year bears to the sum of the
25 total dollar amount of property taxes imposed in the county by each
26 participating unit for that year. If a taxing unit participates in
27 two or more appraisal districts in 2006, only the 2005 taxes imposed

1 in the county for which a district is established are used to
2 calculate the unit's cost allocations for 2006 in that district.

3 SECTION 48. (a) Except as provided by Subsection (b) of
4 this section, this Act takes effect September 1, 2005.

5 (b) The following sections of this Act take effect January
6 1, 2006:

7 (1) SECTION 3, amending Section 6.02(a), Tax Code;

8 (2) SECTION 26, amending Section 41.097(a), Education
9 Code;

10 (3) SECTION 27, amending Section 41.210(b), Education
11 Code; and

12 (4) SECTION 46, repealing Section 13.007, Education
13 Code, and Sections 6.02(b)-(g), 6.025, and 6.03(m), Tax Code.