

1-1 By: Goodman (Senate Sponsor - Armbrister) H.B. No. 3071
1-2 (In the Senate - Received from the House May 13, 2005;
1-3 May 16, 2005, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 23, 2005, reported favorably by
1-5 the following vote: Yeas 4, Nays 0; May 23, 2005, sent to printer.)

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

1-8 relating to the administration and collection of ad valorem taxes
1-9 and the administration of appraisal districts; making procedural
1-10 and technical corrections and clarifications to the Tax Code,
1-11 Property Code, and Civil Practice and Remedies Code.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 1.07(b), Tax Code, is amended to read as
1-14 follows:

1-15 (b) The official or agency shall address the notice to the
1-16 property owner, the person designated under Section 1.111(f) to
1-17 receive the notice for the property owner, if that section applies,
1-18 or, if appropriate, the property owner's agent at the agent's ~~[his]~~
1-19 address according to the most recent record in the possession of the
1-20 official or agency. However, if a property owner files a written
1-21 request with the appraisal district that notices be sent to a
1-22 particular address, the official or agency shall send the notice to
1-23 the address stated in the request.

1-24 SECTION 2. Section 1.11(b), Tax Code, is amended to read as
1-25 follows:

1-26 (b) To be effective, a [A] request made under [pursuant to]
1-27 this section must be filed with the appraisal district. A request
1-28 remains in effect until revoked by a written revocation filed with
1-29 the appraisal district by the owner.

1-30 SECTION 3. Section 6.02(a), Tax Code, is amended to read as
1-31 follows:

1-32 The ~~[(a) Except as otherwise provided by this section, the]~~
1-33 appraisal district's boundaries are the same as the county's
1-34 boundaries. This section does not preclude the boards of directors
1-35 of two or more adjoining appraisal districts from providing for the
1-36 operation of a consolidated appraisal district by interlocal
1-37 contract.

1-38 SECTION 4. Section 6.035(a), Tax Code, is amended to read as
1-39 follows:

1-40 (a) An individual is ineligible to serve on an appraisal
1-41 district board of directors and is disqualified from employment as
1-42 chief appraiser if the individual:

1-43 (1) is related within the second degree by
1-44 consanguinity or affinity, as determined under Chapter 573,
1-45 Government Code, to an individual who is engaged in the business of
1-46 appraising property for compensation for use in proceedings under
1-47 this title or of representing property owners for compensation in
1-48 proceedings under this title in the appraisal district; or

1-49 (2) owns property on which delinquent taxes have been
1-50 owed to a taxing unit for more than 60 days after the date the
1-51 individual knew or should have known of the delinquency unless:

1-52 (A) the delinquent taxes and any penalties and
1-53 interest are being paid under an installment payment agreement
1-54 under Section 33.02; or

1-55 (B) a suit to collect the delinquent taxes is
1-56 deferred or abated under Section 33.06, 33.061, or 33.065.

1-57 SECTION 5. Section 6.412(a), Tax Code, is amended to read as
1-58 follows:

1-59 (a) An individual is ineligible to serve on an appraisal
1-60 review board if the individual:

1-61 (1) is related within the second degree by
1-62 consanguinity or affinity, as determined under Chapter 573,
1-63 Government Code, to an individual who is engaged in the business of
1-64 appraising property for compensation for use in proceedings under

2-1 this title or of representing property owners for compensation in
 2-2 proceedings under this title in the appraisal district for which
 2-3 the appraisal review board is established; or

2-4 (2) owns property on which delinquent taxes have been
 2-5 owed to a taxing unit for more than 60 days after the date the
 2-6 individual knew or should have known of the delinquency unless:

2-7 (A) the delinquent taxes and any penalties and
 2-8 interest are being paid under an installment payment agreement
 2-9 under Section 33.02; or

2-10 (B) a suit to collect the delinquent taxes is
 2-11 deferred or abated under Section 33.06, 33.061, or 33.065.

2-12 SECTION 6. Section 11.43, Tax Code, is amended by adding
 2-13 Subsections (l) and (m) to read as follows:

2-14 (l) The form for an application under Section 11.13 must
 2-15 include a space for the applicant to state the applicant's date of
 2-16 birth. Failure to provide the date of birth does not affect the
 2-17 applicant's eligibility for an exemption under that section, other
 2-18 than an exemption under Section 11.13(c) or (d) for an individual 65
 2-19 years of age or older.

2-20 (m) Notwithstanding Subsections (a) and (k), a person who
 2-21 receives an exemption under Section 11.13, other than an exemption
 2-22 under Section 11.13(c) or (d) for an individual 65 years of age or
 2-23 older, in a tax year is entitled to receive an exemption under
 2-24 Section 11.13(c) or (d) for an individual 65 years of age or older
 2-25 in the next tax year on the same property without applying for the
 2-26 exemption if the person becomes 65 years of age in that next year as
 2-27 shown by information in the records of the appraisal district that
 2-28 was provided to the appraisal district by the individual in an
 2-29 application for an exemption under Section 11.13 on the property or
 2-30 in correspondence relating to the property. This subsection does
 2-31 not apply if the chief appraiser determines that the individual is
 2-32 no longer entitled to any exemption under Section 11.13 on the
 2-33 property.

2-34 SECTION 7. Section 22.28, Tax Code, is amended by amending
 2-35 Subsection (b) and adding Subsection (c) to read as follows:

2-36 (b) The chief appraiser shall certify to the assessor for
 2-37 each taxing unit participating in the appraisal district that
 2-38 imposes taxes on the property that the chief appraiser has imposed
 2-39 [may retain a portion of] a penalty [collected] under this section
 2-40 [, not to exceed 20 percent of the amount of the penalty, to cover
 2-41 the chief appraiser's costs of collecting the penalty]. The
 2-42 assessor [chief appraiser] shall add the amount of the penalty to
 2-43 the original amount of tax imposed on the property and shall include
 2-44 that amount in the tax bill for that year. The penalty becomes part
 2-45 of the tax on the property and is secured by the tax lien that
 2-46 attaches to the property under Section 32.01 [distribute the
 2-47 remainder of the penalty to each taxing unit participating in the
 2-48 appraisal district that imposes taxes on the property in proportion
 2-49 to the taxing unit's share of the total amount of taxes imposed on
 2-50 the property by all taxing units participating in the district].

2-51 (c) To help defray the costs of administering this chapter,
 2-52 a collector who collects a penalty imposed under Subsection (a)
 2-53 shall remit to the appraisal district that employs the chief
 2-54 appraiser who imposed the penalty an amount equal to five percent of
 2-55 the penalty amount collected.

2-56 SECTION 8. Section 25.25(d), Tax Code, is amended to read as
 2-57 follows:

2-58 (d) At any time prior to the date the taxes become
 2-59 delinquent, a property owner or the chief appraiser may file a
 2-60 motion with the appraisal review board to change the appraisal roll
 2-61 to correct an error that resulted in an incorrect appraised value
 2-62 for the owner's property. However, the error may not be corrected
 2-63 unless it resulted in an appraised value that exceeds by more than
 2-64 one-third the correct appraised value. If the appraisal roll is
 2-65 changed under this subsection, the property owner must pay to each
 2-66 affected taxing unit a late-correction penalty equal to 10 percent
 2-67 of the amount of taxes as calculated on the basis of the corrected
 2-68 appraised value. Payment of the late-correction penalty is secured
 2-69 by the lien that attaches to the property under Section 32.01 and is

3-1 subject to enforced collection under Chapter 33. The roll may not be
 3-2 changed under this subsection if:

3-3 (1) the property was the subject of a protest brought
 3-4 by the property owner under Chapter 41, a hearing on the protest was
 3-5 conducted in which the property owner offered evidence or argument,
 3-6 and the appraisal review board made a determination of the protest
 3-7 on the merits; or

3-8 (2) the appraised value of the property was
 3-9 established as a result of a written agreement between the property
 3-10 owner or the owner's agent and the appraisal district.

3-11 SECTION 9. Section 26.11(c), Tax Code, is amended to read as
 3-12 follows:

3-13 (c) If the amount of prorated taxes determined to be due as
 3-14 provided by this section is tendered to the collector for the unit,
 3-15 the collector [he] shall accept the tender. The payment absolves:

3-16 (1) the transferor of liability for taxes by the unit
 3-17 on the property for the year of the transfer; and

3-18 (2) the taxing unit of liability for a refund in
 3-19 connection with taxes on the property for the year of the transfer.

3-20 SECTION 10. Section 31.073, Tax Code, is amended to read as
 3-21 follows:

3-22 Sec. 31.073. RESTRICTED OR CONDITIONAL PAYMENTS
 3-23 PROHIBITED. A restriction or condition placed on a check in payment
 3-24 of taxes, penalties, or interest by the maker that limits the amount
 3-25 of taxes, penalties, or interest owed to an amount less than that
 3-26 stated in the tax bill or shown by the tax collector's records is
 3-27 void unless the restriction or condition is authorized by this
 3-28 code.

3-29 SECTION 11. Section 31.08(a), Tax Code, is amended to read
 3-30 as follows:

3-31 (a) At the request of any person, a collector for a taxing
 3-32 unit shall issue a certificate showing the amount of delinquent
 3-33 taxes, penalties, ~~[and]~~ interest, and any known costs and expenses
 3-34 under Section 33.48 due the unit on a property according to the
 3-35 unit's current tax records. If the collector collects taxes for
 3-36 more than one taxing unit, the certificate must show the amount of
 3-37 delinquent taxes, penalties, ~~[and]~~ interest, and any known costs
 3-38 and expenses under Section 33.48 due on the property to each taxing
 3-39 unit for which the collector collects the taxes. The collector
 3-40 shall charge a fee not to exceed \$10 for each certificate issued.
 3-41 The collector shall pay all fees collected under this section into
 3-42 the treasury of the taxing unit that employs the collector [him].

3-43 SECTION 12. Section 32.05, Tax Code, is amended by amending
 3-44 Subsections (b) and (c) and adding Subsections (b-1), (d), and (e)
 3-45 to read as follows:

3-46 (b) Except as provided by Subsection (c)(1) ~~[(c) of this~~
 3-47 ~~section]~~, a tax lien provided by this chapter takes priority over:

3-48 (1) the claim of any creditor of a person whose
 3-49 property is encumbered by the lien;

3-50 (2) ~~[and over]~~ the claim of any holder of a lien on
 3-51 property encumbered by the tax lien, including any lien held by a
 3-52 property owners' association, homeowners' association, condominium
 3-53 unit owners' association, or council of owners of a condominium
 3-54 regime under a restrictive covenant, condominium declaration,
 3-55 master deed, or other similar instrument that secures regular or
 3-56 special maintenance assessments, fees, dues, interest, fines,
 3-57 costs, attorney's fees, or other monetary charges against the
 3-58 property; and

3-59 (3) any right of remainder, right or possibility of
 3-60 reverter, or other future interest in, or encumbrance against, the
 3-61 property, whether vested or contingent ~~[not the debt or lien~~
 3-62 ~~existed before attachment of the tax lien].~~

3-63 (b-1) The priority given to a tax lien by Subsection (b)
 3-64 prevails, regardless of whether the debt, lien, future interest, or
 3-65 other encumbrance existed before attachment of the tax lien.

3-66 (c) A tax lien provided by this chapter is inferior to [~~a~~
 3-67 ~~claim]~~:

3-68 (1) a claim for any survivor's allowance, funeral
 3-69 expenses, or expenses of the last illness of a decedent made against

4-1 the estate of a decedent as provided by law;

4-2 (2) except as provided by Subsection (b)(2), [under] a
 4-3 recorded restrictive covenant that runs [running] with the land
 4-4 and was[, other than a restrictive covenant in favor of a property
 4-5 owners' association or homeowners' association] recorded before
 4-6 January 1 of the year the tax lien arose; or

4-7 (3) [under] a valid easement of record recorded before
 4-8 January 1 of the year the tax lien arose.

4-9 (d) In an action brought under Chapter 33 for the enforced
 4-10 collection of a delinquent tax against property, a property owners'
 4-11 association, homeowners' association, condominium unit owners'
 4-12 association, or council of owners of a condominium regime that
 4-13 holds a lien for regular or special maintenance assessments, fees,
 4-14 dues, interest, fines, costs, attorney's fees, or other monetary
 4-15 charges against the property is not a necessary party to the action
 4-16 unless, at the time the action is commenced, notice of the lien in a
 4-17 liquidated amount is evidenced by a sworn instrument duly executed
 4-18 by an authorized person and recorded with the clerk of the county in
 4-19 which the property is located. A tax sale of the property
 4-20 extinguishes the lien held by a property owners' association,
 4-21 homeowners' association, condominium unit owners' association, or
 4-22 council of owners of a condominium regime for all amounts that
 4-23 accrued before the date of sale if:

4-24 (1) the holder of the lien is joined as a party to an
 4-25 action brought under Chapter 33 by virtue of a notice of the lien on
 4-26 record at the time the action is commenced; or

4-27 (2) the notice of lien is not on record at the time the
 4-28 action is commenced, regardless of whether the holder of the lien is
 4-29 made a party to the action.

4-30 (e) The existence of a recorded restrictive covenant,
 4-31 declaration, or master deed that generally provides for the lien
 4-32 held by a property owners' association, homeowners' association,
 4-33 condominium unit owners' association, or council of owners of a
 4-34 condominium regime does not, by itself, constitute actual or
 4-35 constructive notice to a taxing unit of a lien under Subsection (d).

4-36 SECTION 13. Sections 33.011(a) and (d), Tax Code, are
 4-37 amended to read as follows:

4-38 (a) The governing body of a taxing unit:

4-39 (1) shall waive penalties and may provide for the
 4-40 waiver of interest on a delinquent tax if an act or omission of an
 4-41 officer, employee, or agent of the taxing unit or the appraisal
 4-42 district in which the taxing unit participates caused or resulted
 4-43 in the taxpayer's failure to pay the tax before delinquency and if
 4-44 the tax is paid not later than the 21st day after the date the
 4-45 taxpayer knows or should know of the delinquency; and

4-46 (2) may waive penalties and provide for the waiver of
 4-47 interest on a delinquent tax if:

4-48 (A) the property for which the tax is owed is
 4-49 acquired by a religious organization; and

4-50 (B) [that qualifies the property for exemption
 4-51 under Section 11.20] before the first anniversary of the date the
 4-52 religious organization acquires the property, the organization
 4-53 pays the tax and qualifies the property for an exemption under
 4-54 Section 11.20 as evidenced by the approval of the exemption by the
 4-55 chief appraiser under Section 11.45.

4-56 (d) A request for a waiver of penalties and interest under
 4-57 Subsection (a)(1), (b), or (h) [this section] must be made before
 4-58 the 181st day after the delinquency date. A request for a waiver of
 4-59 penalties and interest under Subsection (a)(2) must be made before
 4-60 the first anniversary of the date the religious organization
 4-61 acquires the property. To be valid, a waiver of penalties or
 4-62 interest under this section must be requested in writing. If a
 4-63 written request for a waiver is not timely made, the governing body
 4-64 of a taxing unit may not waive any penalties or interest under this
 4-65 section.

4-66 SECTION 14. Section 33.02(a), Tax Code, is amended to read
 4-67 as follows:

4-68 (a) The collector for a taxing unit [that collects its own
 4-69 taxes] may enter an agreement with a person delinquent in the

5-1 payment of the tax for payment of the tax, penalties, and interest
 5-2 in installments. The agreement must be in writing and may not
 5-3 extend for a period of more than 36 months.

5-4 SECTION 15. Subchapter A, Chapter 33, Tax Code, is amended
 5-5 by adding Section 33.045 to read as follows:

5-6 Sec. 33.045. NOTICE OF PROVISIONS AUTHORIZING DEFERRAL OR
 5-7 ABATEMENT. (a) A tax bill mailed by an assessor or collector under
 5-8 Section 31.01 and any written communication delivered to a property
 5-9 owner by an assessor or collector for a taxing unit or an attorney
 5-10 or other agent of a taxing unit that specifically threatens a
 5-11 lawsuit to collect a delinquent tax shall contain the following
 5-12 explanation in capital letters: "IF YOU ARE 65 YEARS OF AGE OR OLDER
 5-13 OR ARE DISABLED AND THE PROPERTY DESCRIBED IN THIS DOCUMENT IS YOUR
 5-14 RESIDENCE HOMESTEAD, YOU SHOULD CONTACT THE APPRAISAL DISTRICT
 5-15 REGARDING ANY ENTITLEMENT YOU MAY HAVE TO A POSTPONEMENT IN THE
 5-16 PAYMENT OF THESE TAXES."

5-17 (b) This section does not apply to a communication that
 5-18 relates to taxes that are the subject of pending litigation.

5-19 SECTION 16. The heading to Section 33.06, Tax Code, is
 5-20 amended to read as follows:

5-21 Sec. 33.06. DEFERRED COLLECTION OF TAXES ON RESIDENCE
 5-22 HOMESTEAD OF [ELDERLY OR] DISABLED PERSON.

5-23 SECTION 17. Sections 33.06(a) and (b), Tax Code, are
 5-24 amended to read as follows:

5-25 (a) An individual is entitled to defer collection of a tax,
 5-26 abate a suit to collect a delinquent tax, or abate a sale to
 5-27 foreclose a tax lien if [~~the individual~~]:

5-28 (1) ~~the individual [is 65 years of age or older or]~~ is
 5-29 disabled as defined by Section 11.13(m); and

5-30 (2) the tax was imposed against property that the
 5-31 individual owns and occupies as a residence homestead.

5-32 (b) To obtain a deferral, an individual must file with the
 5-33 chief appraiser for the appraisal district in which the property is
 5-34 located an affidavit stating the facts required to be established
 5-35 by Subsection (a). The chief appraiser shall notify each taxing
 5-36 unit participating in the district of the filing. After an
 5-37 affidavit is filed under this subsection, a taxing unit may not file
 5-38 or threaten to file suit to collect delinquent taxes on the property
 5-39 or take other action against the individual to collect delinquent
 5-40 taxes on the property and the property may not be sold at a sale to
 5-41 foreclose the tax lien until the 181st day after the date the
 5-42 individual no longer owns and occupies the property as a residence
 5-43 homestead.

5-44 SECTION 18. Subchapter A, Chapter 33, Tax Code, is amended
 5-45 by adding Section 33.061 to read as follows:

5-46 Sec. 33.061. AUTOMATIC DEFERRAL OR ABATEMENT OF COLLECTION
 5-47 OF TAXES ON RESIDENCE HOMESTEAD OF ELDERLY PERSON. (a) This
 5-48 section applies only to property that an individual who is 65 years
 5-49 of age or older owns and occupies as a residence homestead.

5-50 (b) A taxing unit may not file or threaten to file suit to
 5-51 collect delinquent taxes on the property or take other action
 5-52 against the individual to collect delinquent taxes on the property
 5-53 and the property may not be sold at a sale to foreclose the tax lien
 5-54 until the 181st day after the date the individual no longer owns and
 5-55 occupies the property as a residence homestead. This subsection
 5-56 does not prohibit a taxing unit or an attorney or other agent of a
 5-57 taxing unit from delivering to an individual a notice that
 5-58 delinquent taxes are owing on the individual's residence homestead.

5-59 (c) If property is sold in violation of this section, the
 5-60 property owner may file a motion to set aside the sale under the
 5-61 same cause number and in the same court as a judgment referenced in
 5-62 the order of sale. The motion must be filed during the applicable
 5-63 redemption period as set forth in Section 34.21. This right is not
 5-64 transferable to a third party.

5-65 (d) This section does not affect the duty of the assessor
 5-66 for the taxing unit to prepare and mail a bill for the taxes on the
 5-67 property as provided by Section 31.01. A tax lien remains on the
 5-68 property and interest continues to accrue during the period that
 5-69 collection of taxes is deferred or abated under this section. The

6-1 annual interest rate during the period of deferral or abatement is
 6-2 eight percent instead of the rate provided by Section 33.01.
 6-3 Interest and penalties that accrued or that were incurred or
 6-4 imposed under Section 33.01 or 33.07 before the date the individual
 6-5 attained the age of 65 are preserved. A penalty under Section 33.01
 6-6 is not incurred during a period of deferral or abatement. The
 6-7 additional penalty under Section 33.07 may be imposed and collected
 6-8 only if the taxes for which collection is deferred or abated remain
 6-9 delinquent on or after the 181st day after the date the period of
 6-10 deferral or abatement expires. A plea of limitation, laches, or
 6-11 want of prosecution does not apply against the taxing unit because
 6-12 of a deferral or abatement of collection under this section.

6-13 (e) Each year the chief appraiser for each appraisal
 6-14 district shall publicize in a manner reasonably designed to notify
 6-15 all residents of the district or county of the provisions of this
 6-16 section.

6-17 (f) For the first tax year that an individual who qualifies
 6-18 for a deferral or abatement under this section or a person acting on
 6-19 behalf of the individual fails to pay the taxes on the property
 6-20 before the delinquency date, the collector for the taxing unit, not
 6-21 later than the 15th day after the date the taxes become delinquent,
 6-22 shall mail the individual a notice in the following form:

6-23 "Dear Property Owner:

6-24 "The records of (name of taxing unit) indicate that the (tax
 6-25 year) property taxes on your home were not paid before the
 6-26 delinquency date. The law entitles you to an automatic deferral or
 6-27 abatement of those taxes. This means that the governmental
 6-28 entities that impose property taxes on your home may not sue you,
 6-29 threaten to sue you, sell your home at a tax sale, or take any other
 6-30 action to collect the delinquent taxes if you elect not to pay them
 6-31 for as long as you continue to own and occupy your home. Your unpaid
 6-32 taxes will accrue interest at the rate of eight percent per year,
 6-33 and the entire amount will become due and payable once you cease to
 6-34 own or occupy the home.

6-35 "You have the right to waive this deferral or abatement by
 6-36 filing a signed statement with the chief appraiser of the (name of
 6-37 county) appraisal district stating that you elect not to receive
 6-38 the deferral or abatement.

6-39 "Whether you choose to waive the deferral or abatement, you
 6-40 may pay your property taxes voluntarily in any year. (Name of
 6-41 taxing unit) will continue to mail you a tax bill each year so that
 6-42 you will know your tax liability. If your home is subject to a
 6-43 mortgage or deed of trust, you should consult with your mortgage
 6-44 lender or the beneficiary under your deed of trust before you elect
 6-45 to accept or waive the deferral or abatement. Failure to pay taxes
 6-46 timely may violate your mortgage or deed of trust.

6-47 "If you have any questions about this notice, please call or
 6-48 write us. You may also contact the state comptroller's property tax
 6-49 division at (current telephone number for the comptroller's
 6-50 property tax division)."

6-51 (g) A taxing unit shall include in a notice under Subsection
 6-52 (f) its name, address, and telephone number and any information
 6-53 necessary to identify the property but may not include any other
 6-54 information. The collector for a taxing unit who mails a notice
 6-55 under Subsection (f) to an individual who qualifies for a deferral
 6-56 or abatement under this section and whose taxes on the property for
 6-57 a tax year are not paid before the delinquency date may mail a
 6-58 notice as provided by Subsection (f) for any subsequent tax year for
 6-59 which the individual's taxes on the property are not paid before
 6-60 that date.

6-61 (h) If an individual who is 65 years of age or older dies,
 6-62 the deferral or abatement of the collection of taxes on the property
 6-63 continues in effect until the 181st day after the date the surviving
 6-64 spouse of the individual no longer owns and occupies the property as
 6-65 a residence homestead if:

6-66 (1) the property was the residence homestead of the
 6-67 deceased spouse when the deceased spouse died;

6-68 (2) the surviving spouse was 55 years of age or older
 6-69 when the deceased spouse died; and

7-1 (3) the property was the residence homestead of the
 7-2 surviving spouse when the deceased spouse died.

7-3 (i) An individual may elect not to receive a deferral or
 7-4 abatement under this section. An individual who elects not to
 7-5 receive the deferral or abatement shall file with the chief
 7-6 appraiser for the appraisal district in which the property is
 7-7 located a written statement signed by the individual affirmatively
 7-8 stating that the individual elects not to receive the deferral or
 7-9 abatement. The election is effective on the date the chief
 7-10 appraiser receives the individual's written statement. The chief
 7-11 appraiser shall notify each taxing unit participating in the
 7-12 district of the individual's election.

7-13 SECTION 19. Section 33.22, Tax Code, is amended by adding
 7-14 Subsections (d) and (e) to read as follows:

7-15 (d) A collector is entitled to recover attorney's fees in an
 7-16 amount equal to the compensation specified in the contract with the
 7-17 attorney if:

7-18 (1) recovery of the attorney's fees is requested in the
 7-19 application for the tax warrant;

7-20 (2) the taxing unit served by the collector contracts
 7-21 with an attorney under Section 6.30;

7-22 (3) the existence of the contract and the amount of
 7-23 attorney's fees that equals the compensation specified in the
 7-24 contract are supported by the affidavit of the collector; and

7-25 (4) the tax sought to be recovered is not subject to
 7-26 the additional penalty under Section 33.07 or 33.08 at the time the
 7-27 application is filed.

7-28 (e) If a taxing unit is represented by an attorney who is
 7-29 also an officer or employee of the taxing unit, the collector for
 7-30 the taxing unit is entitled to recover attorney's fees in an amount
 7-31 equal to 15 percent of the total amount of delinquent taxes,
 7-32 penalties, and interest that the property owner owes the taxing
 7-33 unit.

7-34 SECTION 20. Section 33.23(a), Tax Code, is amended to read
 7-35 as follows:

7-36 (a) A tax warrant shall direct a peace officer in the county
 7-37 and the collector to seize as much of the person's personal property
 7-38 as may be reasonably necessary for the payment of all taxes,
 7-39 penalties, ~~and~~ interest, and attorney's fees included in the
 7-40 application and all costs of seizure and sale. The warrant shall
 7-41 direct the person whose property is seized to disclose to the
 7-42 officer executing the warrant the name and the address if known of
 7-43 any other person having an interest in the property.

7-44 SECTION 21. Section 33.25, Tax Code, is amended by amending
 7-45 Subsections (f) and (h) and adding Subsection (i) to read as
 7-46 follows:

7-47 (f) The proceeds of a sale of property under this section
 7-48 shall be applied to:

7-49 (1) any compensation owed to or any expense advanced
 7-50 by the licensed auctioneer under an agreement entered into under
 7-51 Subsection (b) or a service provider under an agreement entered
 7-52 into under Subsection (c);

7-53 (2) all usual costs, expenses, and fees of the seizure
 7-54 and sale, payable to the peace officer conducting the sale;

7-55 (3) all additional expenses incurred in advertising
 7-56 the sale or in removing, storing, preserving, or safeguarding the
 7-57 seized property pending its sale;

7-58 (4) all usual court costs payable to the clerk of the
 7-59 court that issued the tax warrant; and

7-60 (5) taxes, penalties, ~~and~~ interest, and attorney's
 7-61 fees included in the application for warrant.

7-62 (h) After a seizure of personal property defined by Sections
 7-63 33.21(d)(2)-(5), the collector shall apply the seized property
 7-64 toward the payment of the taxes, penalties, ~~and~~ interest, and
 7-65 attorney's fees included in the application for warrant and all
 7-66 costs of the seizure as required by Subsection (f).

7-67 (i) After a tax warrant is issued, the seizure or sale of the
 7-68 property may be canceled and terminated at any time by the applicant
 7-69 or an authorized agent or attorney of the applicant.

8-1 SECTION 22. Section 33.43(a), Tax Code, is amended to read
8-2 as follows:

8-3 (a) A petition initiating a suit to collect a delinquent
8-4 property tax is sufficient if it alleges that:

8-5 (1) the taxing unit is legally constituted and
8-6 authorized to impose and collect ad valorem taxes on property;

8-7 (2) tax in a stated amount was legally imposed on each
8-8 separately described property for each year specified and on each
8-9 person named if known who owned the property on January 1 of the
8-10 year for which the tax was imposed;

8-11 (3) the tax was imposed in the county in which the suit
8-12 is filed;

8-13 (4) the tax is delinquent;

8-14 (5) penalties, interest, and costs authorized by law
8-15 in a stated amount for each separately assessed property are due;

8-16 (6) the taxing unit is entitled to recover each
8-17 penalty that is incurred and all interest that accrues on
8-18 delinquent taxes imposed on the property from the date of the
8-19 judgment to the date of the sale under Section 34.01 or under
8-20 Section 253.010, Local Government Code, as applicable, if the suit
8-21 seeks to foreclose a tax lien;

8-22 (7) the person sued owned the property on January 1 of
8-23 the year for which the tax was imposed if the suit seeks to enforce
8-24 personal liability;

8-25 (8) the person sued owns the property when the suit is
8-26 filed if the suit seeks to foreclose a tax lien;

8-27 (9) the taxing unit asserts a lien on each separately
8-28 described property to secure the payment of all taxes, penalties,
8-29 interest, and costs due if the suit seeks to foreclose a tax lien;

8-30 (10) all things required by law to be done have been
8-31 done properly by the appropriate officials; ~~and~~

8-32 (11) the attorney signing the petition or a person
8-33 acting on the attorney's behalf has reviewed the records of the
8-34 taxing unit or appraisal district and that the records reviewed do
8-35 not show that the property described in the petition is the
8-36 residence homestead of a person who is disabled or 65 years of age
8-37 or older; and

8-38 (12) the attorney signing the petition is legally
8-39 authorized to prosecute the suit on behalf of the taxing unit.

8-40 SECTION 23. Section 33.48, Tax Code, is amended by adding
8-41 Subsection (d) to read as follows:

8-42 (d) A collector who accepts a payment of the court costs and
8-43 other expenses described by this section shall disburse the amount
8-44 of the payment as follows:

8-45 (1) amounts owing under Subsections (a)(1), (2), (3),
8-46 and (6) are payable to the clerk of the court in which the suit is
8-47 pending; and

8-48 (2) expenses described by Subsection (a)(4) are
8-49 payable to the general fund of the taxing unit or to the person or
8-50 entity who advanced the expense.

8-51 SECTION 24. Section 33.51, Tax Code, is amended to read as
8-52 follows:

8-53 Sec. 33.51. WRIT OF POSSESSION. (a) If the court orders
8-54 the foreclosure of a tax lien and the sale of real property, the
8-55 judgment shall provide for the issuance by the clerk of said court
8-56 of a writ of possession to the purchaser at the sale or to the
8-57 purchaser's assigns no sooner than 20 days following the date on
8-58 which the purchaser's deed from the sheriff or constable is filed of
8-59 record.

8-60 (b) The officer charged with executing the writ shall place
8-61 the purchaser or the purchaser's assigns in possession of the
8-62 property described in the purchaser's deed without further order
8-63 from any court and in the manner provided by the writ, subject to
8-64 any notice to vacate that may be required to be given to a tenant
8-65 under Section 24.005(b), Property Code.

8-66 (c) The writ of possession shall order the officer executing
8-67 the writ to:

8-68 (1) post a written warning that is at least 8-1/2 by 11
8-69 inches on the exterior of the front door of the premises notifying

9-1 the occupant that the writ has been issued and that the writ will be
 9-2 executed on or after a specific date and time stated in the warning
 9-3 that is not sooner than the 10th day after the date the warning is
 9-4 posted; and

9-5 (2) on execution of the writ:

9-6 (A) deliver possession of the premises to the
 9-7 purchaser or the purchaser's assigns;

9-8 (B) instruct the occupants to immediately leave
 9-9 the premises and, if the occupants fail or refuse to comply,
 9-10 physically remove them from the premises;

9-11 (C) instruct the occupants to remove, or to allow
 9-12 the purchaser or purchaser's assigns, representatives, or other
 9-13 persons acting under the officer's supervision to remove, all
 9-14 personal property from the premises; and

9-15 (D) place, or have an authorized person place,
 9-16 the removed personal property outside the premises at a nearby
 9-17 location, but not so as to block a public sidewalk, passageway, or
 9-18 street and not while it is raining, sleeting, or snowing.

9-19 (d) The writ of possession shall authorize the officer, at
 9-20 the officer's discretion, to engage the services of a bonded or
 9-21 insured warehouseman to remove and store, subject to applicable
 9-22 law, all or part of the personal property at no cost to the
 9-23 purchaser, the purchaser's assigns, or the officer executing the
 9-24 writ. The officer may not require the purchaser or the purchaser's
 9-25 assigns to store the personal property.

9-26 (e) The writ of possession shall contain notice to the
 9-27 officer that under Section 7.003, Civil Practice and Remedies Code,
 9-28 the officer is not liable for damages resulting from the execution
 9-29 of the writ if the officer executes the writ in good faith and with
 9-30 reasonable diligence.

9-31 (f) The warehouseman's lien on stored property, the
 9-32 officer's duties, and the occupants' rights of redemption as
 9-33 provided by Section 24.0062, Property Code, are all applicable with
 9-34 respect to any personal property that is removed under Subsection
 9-35 (d).

9-36 (g) A sheriff or constable may use reasonable force in
 9-37 executing a writ under this section.

9-38 (h) If a taxing unit is a purchaser and is entitled to a writ
 9-39 of possession in the taxing unit's name:

9-40 (1) a bond may not be required of the taxing unit for
 9-41 issuance or delivery of a writ of possession; and

9-42 (2) a fee or court cost may not be charged for issuance
 9-43 or delivery of a writ of possession.

9-44 (i) In this section:

9-45 (1) "Premises" means all of the property described in
 9-46 the purchaser's deed, including the buildings, dwellings, or other
 9-47 structures located on the property.

9-48 (2) "Purchaser" includes a taxing unit to which
 9-49 property is bid off under Section 34.01(j).

9-50 SECTION 25. Subchapter C, Chapter 33, Tax Code, is amended
 9-51 by adding Section 33.57 to read as follows:

9-52 Sec. 33.57. ALTERNATIVE NOTICE OF TAX FORECLOSURE ON
 9-53 CERTAIN PARCELS OF REAL PROPERTY. (a) In this section,
 9-54 "appraised value" means the appraised value according to the most
 9-55 recent appraisal roll approved by the appraisal review board.

9-56 (b) This section may be invoked and used by one or more
 9-57 taxing units if there are delinquent taxes, penalties, interest,
 9-58 and attorney's fees owing to a taxing unit on a parcel of real
 9-59 property and:

9-60 (1) the total amount of delinquent taxes, penalties,
 9-61 interest, and attorney's fees owed exceeds the appraised value of
 9-62 the parcel; or

9-63 (2) there are 10 or more years for which delinquent
 9-64 taxes are owed on the parcel.

9-65 (c) One or more taxing units may file a single petition for
 9-66 foreclosure under this section that includes multiple parcels of
 9-67 property and multiple owners. Alternatively, separate petitions
 9-68 may be filed and docketed separately for each parcel of property.
 9-69 Another taxing unit with a tax claim against the same parcel may

10-1 intervene in an action for the purpose of establishing and
 10-2 foreclosing its tax lien without further notice to a defendant. The
 10-3 petition must be filed in the county in which the tax was imposed
 10-4 and is sufficient if it is in substantially the form prescribed by
 10-5 Section 33.43 and further alleges that:

10-6 (1) the amount owed in delinquent taxes, penalties,
 10-7 interest, and attorney's fees exceeds the appraised value of the
 10-8 parcel; or

10-9 (2) there are 10 or more years for which delinquent
 10-10 taxes are owed on the parcel.

10-11 (d) Simultaneously with the filing of the petition under
 10-12 this section, a taxing unit shall also file a motion with the court
 10-13 seeking an order approving notice of the petition to each defendant
 10-14 by certified mail in lieu of citation and, if the amount of
 10-15 delinquent taxes, penalties, interest, and attorney's fees alleged
 10-16 to be owed exceeds the appraised value of the parcel, waiving the
 10-17 appointment of an attorney ad litem. The motion must be supported
 10-18 by certified copies of tax records that show the tax years for which
 10-19 delinquent taxes are owed, the amounts of delinquent taxes,
 10-20 penalties, interest, and attorney's fees, and, if appropriate, the
 10-21 appraised value of the parcel.

10-22 (e) The court shall approve a motion under Subsection (d) if
 10-23 the documents in support of the motion show that:

10-24 (1) the amount of delinquent taxes, penalties,
 10-25 interest, and attorney's fees that are owed exceeds the appraised
 10-26 value of the parcel; or

10-27 (2) there are 10 or more years for which delinquent
 10-28 taxes are owed on the parcel.

10-29 (f) Before filing a petition under this section, or as soon
 10-30 afterwards as practicable, the taxing unit or its attorney shall
 10-31 determine the address of each owner of a property interest in the
 10-32 parcel for the purpose of providing notice of the pending petition.
 10-33 If the title search, the taxing unit's tax records, and the
 10-34 appraisal district records do not disclose an address of a person
 10-35 with a property interest, consulting the following sources of
 10-36 information is to be considered a reasonable effort by the taxing
 10-37 unit or its attorney to determine the address of a person with a
 10-38 property interest in the parcel subject to foreclosure:

10-39 (1) telephone directories, electronic or otherwise,
 10-40 that cover:

10-41 (A) the area of any last known address for the
 10-42 person; and

10-43 (B) the county in which the parcel is located;
 10-44 (2) voter registration records in the county in which
 10-45 the parcel is located; and

10-46 (3) where applicable, assumed name records maintained
 10-47 by the county clerk of the county in which the parcel is located and
 10-48 corporate records maintained by the secretary of state.

10-49 (g) Not later than the 45th day before the date on which a
 10-50 hearing on the merits on a taxing unit's petition is scheduled, the
 10-51 taxing unit or its attorney shall send a copy of the petition and a
 10-52 notice by certified mail to each person whose address is determined
 10-53 under Subsection (f), informing the person of the pending
 10-54 foreclosure action and the scheduled hearing. A copy of each notice
 10-55 shall be filed with the clerk of the court together with an
 10-56 affidavit by the tax collector or by the taxing unit's attorney
 10-57 attesting to the fact and date of mailing of the notice.

10-58 (h) In addition to the notice required by Subsection (g),
 10-59 the taxing unit shall provide notice by publication and by posting
 10-60 to all persons with a property interest in the parcel subject to
 10-61 foreclosure. The notice shall be published in the English language
 10-62 once a week for two weeks in a newspaper that is published in the
 10-63 county in which the parcel is located and that has been in general
 10-64 circulation for at least one year immediately before the date of the
 10-65 first publication, with the first publication to be not less than
 10-66 the 45th day before the date on which the taxing unit's petition is
 10-67 scheduled to be heard. When returned and filed in the trial court,
 10-68 an affidavit of the editor or publisher of the newspaper attesting
 10-69 to the date of publication, together with a printed copy of the

11-1 notice as published, is sufficient proof of publication under this
 11-2 subsection. If a newspaper is not published in the county in which
 11-3 the parcel is located, publication in an otherwise qualifying
 11-4 newspaper published in an adjoining county is sufficient. The
 11-5 maximum fee for publishing the citation shall be the lowest
 11-6 published word or line rate of that newspaper for classified
 11-7 advertising. The notice by posting shall be in the English language
 11-8 and given by posting a copy of the notice at the courthouse door of
 11-9 the county in which the foreclosure is pending not less than the
 11-10 45th day before the date on which the taxing unit's petition is
 11-11 scheduled to be heard. Proof of the posting of the notice shall be
 11-12 made by affidavit of the attorney for the taxing unit, or of the
 11-13 person posting it. If the publication of the notice cannot be had
 11-14 for the maximum fee established in this subsection, and that fact is
 11-15 supported by the affidavit of the attorney for the taxing unit, the
 11-16 notice by posting under this subsection is sufficient.

11-17 (i) The notice required by Subsections (g) and (h) must
 11-18 include:

11-19 (1) a statement that foreclosure proceedings have been
 11-20 commenced and the date the petition was filed;

11-21 (2) a legal description, tax account number, and, if
 11-22 known, a street address for the parcel in which the addressee owns a
 11-23 property interest;

11-24 (3) the name of the person to whom the notice is
 11-25 addressed and the name of each other person who, according to the
 11-26 title search, has an interest in the parcel in which the addressee
 11-27 owns a property interest;

11-28 (4) the date, time, and place of the scheduled hearing
 11-29 on the petition;

11-30 (5) a statement that the recipient of the notice may
 11-31 lose whatever property interest the recipient owns in the parcel as
 11-32 a result of the hearing and any subsequent tax sale;

11-33 (6) a statement explaining how a person may contest
 11-34 the taxing unit's petition as provided by Subsection (j) and that a
 11-35 person's interest in the parcel may be preserved by paying all
 11-36 delinquent taxes, penalties, interest, attorney's fees, and court
 11-37 costs before the date of the scheduled hearing on the petition;

11-38 (7) the name, address, and telephone number of the
 11-39 taxing unit and the taxing unit's attorney of record; and

11-40 (8) the name of each other taxing unit that imposes
 11-41 taxes on the parcel, together with a notice that any taxing unit may
 11-42 intervene without further notice and set up its claims for
 11-43 delinquent taxes.

11-44 (j) A person claiming a property interest in a parcel
 11-45 subject to foreclosure may contest a taxing unit's petition by
 11-46 filing with the clerk of the court a written response to the
 11-47 petition not later than the seventh day before the date scheduled
 11-48 for hearing on the petition and specifying in the response any
 11-49 affirmative defense of the person. A copy of the response must be
 11-50 served on the taxing unit's attorney of record in the manner
 11-51 required by Rule 21a, Texas Rules of Civil Procedure. The taxing
 11-52 unit is entitled on request to a continuance of the hearing if a
 11-53 written response filed to a notice of the hearing contains an
 11-54 affirmative defense or requests affirmative relief against the
 11-55 taxing unit.

11-56 (k) Before entry of a judgment under this section, a taxing
 11-57 unit may remove a parcel erroneously included in the petition and
 11-58 may take a voluntary nonsuit as to one or more parcels of property
 11-59 without prejudicing its action against the remaining parcels.

11-60 (l) If before the hearing on a taxing unit's petition the
 11-61 taxing unit discovers a deficiency in the provision of notice under
 11-62 this section, the taxing unit shall take reasonable steps in good
 11-63 faith to correct the deficiency before the hearing. A notice
 11-64 provided by Subsections (g)-(i) is in lieu of citation issued and
 11-65 served under Rule 117a, Texas Rules of Civil Procedure. Regardless
 11-66 of the manner in which notice under this section is given, an
 11-67 attorney ad litem may not be appointed for a person with an interest
 11-68 in a parcel with delinquent taxes, penalties, interest, and
 11-69 attorney's fees against the parcel in an amount that exceeds the

12-1 parcel's appraised value. To the extent of any additional conflict
 12-2 between this section and the Texas Rules of Civil Procedure, this
 12-3 section controls. Except as otherwise provided by this section, a
 12-4 suit brought under this section is governed generally by the Texas
 12-5 Rules of Civil Procedure and by Subchapters C and D of this chapter.

12-6 (m) A judgment in favor of a taxing unit under this section
 12-7 must be only for foreclosure of the tax lien against the parcel.
 12-8 The judgment may not include a personal judgment against any
 12-9 person.

12-10 (n) A person is considered to have been provided sufficient
 12-11 notice of foreclosure and opportunity to be heard for purposes of a
 12-12 proceeding under this section if the taxing unit follows the
 12-13 procedures required by this section for notice by certified mail or
 12-14 by publication and posting or if one or more of the following apply:

12-15 (1) the person had constructive notice of the hearing
 12-16 on the merits by acquiring an interest in the parcel after the date
 12-17 of the filing of the taxing unit's petition;

12-18 (2) the person appeared at the hearing on the taxing
 12-19 unit's petition or filed a responsive pleading or other
 12-20 communication with the clerk of the court before the date of the
 12-21 hearing; or

12-22 (3) before the hearing on the taxing unit's petition,
 12-23 the person had actual notice of the hearing.

12-24 SECTION 26. Section 41.097(a), Education Code, is amended
 12-25 to read as follows:

12-26 (a) The total amount required under Section 41.093 for a
 12-27 district to purchase attendance credits under this subchapter for
 12-28 any school year is reduced by an amount equal to the product of the
 12-29 district's total costs under Section 6.06, Tax Code, for the
 12-30 [central] appraisal district or districts in which it participates
 12-31 multiplied by a percentage that is computed by dividing the total
 12-32 amount required under Section 41.093 by the total amount of taxes
 12-33 imposed in the district for that year less any amounts paid into a
 12-34 tax increment fund under Chapter 311, Tax Code.

12-35 SECTION 27. Section 41.210(b), Education Code, is amended
 12-36 to read as follows:

12-37 (b) As soon as practicable after the detachment and
 12-38 annexation of property, the chief appraiser of the appraisal
 12-39 district in which the property is located [~~for the school district~~
 12-40 ~~from which the property is detached~~] shall send a written notice of
 12-41 the detachment and annexation to the owner of any property taxable
 12-42 in a different school district as a result of the detachment and
 12-43 annexation. The notice must include the name of the school district
 12-44 by which the property is taxable after the detachment and
 12-45 annexation.

12-46 SECTION 28. Section 403.302(d), Government Code, is amended
 12-47 to read as follows:

12-48 (d) For the purposes of this section, "taxable value" means
 12-49 the market value of all taxable property less:

12-50 (1) the total dollar amount of any residence homestead
 12-51 exemptions lawfully granted under Section 11.13(b) or (c), Tax
 12-52 Code, in the year that is the subject of the study for each school
 12-53 district;

12-54 (2) one-half of the total dollar amount of any
 12-55 residence homestead exemptions granted under Section 11.13(n), Tax
 12-56 Code, in the year that is the subject of the study for each school
 12-57 district;

12-58 (3) the total dollar amount of any exemptions granted
 12-59 before May 31, 1993, within a reinvestment zone under agreements
 12-60 authorized by Chapter 312, Tax Code;

12-61 (4) subject to Subsection (e), the total dollar amount
 12-62 of any captured appraised value of property that:

12-63 (A) is within a reinvestment zone created on or
 12-64 before May 31, 1999, or is proposed to be included within the
 12-65 boundaries of a reinvestment zone as the boundaries of the zone and
 12-66 the proposed portion of tax increment paid into the tax increment
 12-67 fund by a school district are described in a written notification
 12-68 provided by the municipality or the board of directors of the zone
 12-69 to the governing bodies of the other taxing units in the manner

13-1 provided by Section 311.003(e), Tax Code, before May 31, 1999, and
 13-2 within the boundaries of the zone as those boundaries existed on
 13-3 September 1, 1999, including subsequent improvements to the
 13-4 property regardless of when made;

13-5 (B) generates taxes paid into a tax increment
 13-6 fund created under Chapter 311, Tax Code, under a reinvestment zone
 13-7 financing plan approved under Section 311.011(d), Tax Code, on or
 13-8 before September 1, 1999; and

13-9 (C) is eligible for tax increment financing under
 13-10 Chapter 311, Tax Code;

13-11 (5) the total dollar amount of any exemptions granted
 13-12 under Section 11.251, Tax Code;

13-13 (6) the difference between the comptroller's estimate
 13-14 of the market value and the productivity value of land that
 13-15 qualifies for appraisal on the basis of its productive capacity,
 13-16 except that the productivity value estimated by the comptroller may
 13-17 not exceed the fair market value of the land;

13-18 (7) the portion of the appraised value of residence
 13-19 homesteads of individuals who receive a tax limitation under
 13-20 Section 11.26, Tax Code, on which school district taxes are not
 13-21 imposed in the year that is the subject of the study, calculated as
 13-22 if the residence homesteads were appraised at the full value
 13-23 required by law;

13-24 (8) a portion of the market value of property not
 13-25 otherwise fully taxable by the district at market value because of:

13-26 (A) action required by statute or the
 13-27 constitution of this state that, if the tax rate adopted by the
 13-28 district is applied to it, produces an amount equal to the
 13-29 difference between the tax that the district would have imposed on
 13-30 the property if the property were fully taxable at market value and
 13-31 the tax that the district is actually authorized to impose on the
 13-32 property, if this subsection does not otherwise require that
 13-33 portion to be deducted; or

13-34 (B) action taken by the district under Subchapter
 13-35 B or C, Chapter 313, Tax Code;

13-36 (9) the market value of all tangible personal
 13-37 property, other than manufactured homes, owned by a family or
 13-38 individual and not held or used for the production of income;

13-39 (10) the appraised value of property the collection of
 13-40 delinquent taxes on which is deferred under Section 33.06 or
 13-41 33.061, Tax Code;

13-42 (11) the portion of the appraised value of property
 13-43 the collection of delinquent taxes on which is deferred under
 13-44 Section 33.065, Tax Code; and

13-45 (12) the amount by which the market value of a
 13-46 residence homestead to which Section 23.23, Tax Code, applies
 13-47 exceeds the appraised value of that property as calculated under
 13-48 that section.

13-49 SECTION 29. Section 12.002(e), Property Code, is amended to
 13-50 read as follows:

13-51 (e) A person may not file for record or have recorded in the
 13-52 county clerk's office a plat or replat of a subdivision of real
 13-53 property unless the plat or replat has attached to it an original
 13-54 tax certificate from each taxing unit with jurisdiction of the real
 13-55 property indicating that no delinquent ad valorem taxes are owed on
 13-56 the real property. This subsection does not apply if:

13-57 (1) more than one person acquired the real property
 13-58 from a decedent under a will or by inheritance and those persons
 13-59 owning an undivided interest in the property obtained approval to
 13-60 subdivide the property to provide each person with a divided
 13-61 interest and a separate title to the property; or

13-62 (2) a taxing unit acquired the real property for
 13-63 public use through eminent domain proceedings or voluntary sale.

13-64 SECTION 30. Subchapter B, Chapter 21, Property Code, is
 13-65 amended by adding Section 21.0211 to read as follows:

13-66 Sec. 21.0211. PAYMENT OF AD VALOREM TAXES. (a) A court may
 13-67 not authorize withdrawal of any money deposited under Section
 13-68 21.021 unless the petitioner for the money files with the court:

13-69 (1) a tax certificate issued under Section 31.08, Tax

14-1 Code, by the tax collector for each taxing unit that imposes ad
 14-2 valorem taxes on the condemned property showing that there are no
 14-3 delinquent taxes, penalties, interest, or costs owing on the
 14-4 condemned property or on any larger tract of which the condemned
 14-5 property forms a part; and

14-6 (2) in the case of a whole taking that occurs after the
 14-7 date the ad valorem tax bill for taxes imposed by a taxing unit on
 14-8 the property is sent, a tax receipt issued under Section 31.075, Tax
 14-9 Code, by the tax collector of the taxing unit that imposes ad
 14-10 valorem taxes showing that the taxes on the condemned property for
 14-11 the current tax year, prorated under Section 26.11, Tax Code, have
 14-12 been paid.

14-13 (b) For purposes of Subsection (a)(2), a "case of a whole
 14-14 taking" means a case in which the location, size, and boundaries of
 14-15 the property assessed for ad valorem taxes are identical to that of
 14-16 the condemned property.

14-17 SECTION 31. Section 17.091(a), Civil Practice and Remedies
 14-18 Code, is amended to read as follows:

14-19 (a) In a suit to collect delinquent property taxes by the
 14-20 state or a subdivision of the state in which a person who is a
 14-21 defendant is a nonresident, the secretary of state is an agent for
 14-22 service of process on that defendant if the defendant owns, has, or
 14-23 claims an interest in or a lien against property in this state that
 14-24 is the subject of the suit.

14-25 SECTION 32. Section 31.073, Tax Code, as amended by this
 14-26 Act, applies only to payments of taxes, penalties, or interest that
 14-27 are made on or after the effective date of this Act.

14-28 SECTION 33. Section 32.05, Tax Code, as amended by this Act,
 14-29 applies to any lien, regardless of the date on which it arose, and
 14-30 to any cause of action pending on the effective date of this Act or
 14-31 brought after that date.

14-32 SECTION 34. Section 33.011, Tax Code, as amended by this
 14-33 Act, applies only to a request for a waiver of penalty or interest
 14-34 made on or after the effective date of this Act. A request for a
 14-35 waiver made before the effective date of this Act is governed by the
 14-36 law as it existed immediately before the effective date of this Act,
 14-37 and the former law is continued in effect for that purpose.

14-38 SECTION 35. Section 33.02, Tax Code, as amended by this Act,
 14-39 applies to an installment agreement entered before, on, or after
 14-40 the effective date of this Act.

14-41 SECTION 36. Section 33.22, Tax Code, as amended by this Act,
 14-42 applies only to a tax warrant proceeding pending on the effective
 14-43 date of this Act or brought after that date.

14-44 SECTION 37. Section 33.23, Tax Code, as amended by this Act,
 14-45 applies only to a tax warrant issued on or after the effective date
 14-46 of this Act. A tax warrant issued before the effective date of this
 14-47 Act is governed by the law as it existed immediately before the
 14-48 effective date of this Act, and the former law is continued in
 14-49 effect for that purpose.

14-50 SECTION 38. Section 33.25, Tax Code, as amended by this Act,
 14-51 applies only to a tax warrant proceeding in which the application
 14-52 for tax warrant was filed on or after the effective date of this
 14-53 Act. A tax warrant proceeding commenced by application before the
 14-54 effective date of this Act is governed by the law as it existed
 14-55 immediately before the effective date of this Act, and the former
 14-56 law is continued in effect for that purpose.

14-57 SECTION 39. Section 33.48, Tax Code, as amended by this Act,
 14-58 applies only to a cause of action pending on the effective date of
 14-59 this Act or brought after that date.

14-60 SECTION 40. Section 33.51, Tax Code, as amended by this Act,
 14-61 applies to a writ of possession that is based on a judgment entered
 14-62 before, on, or after the effective date of this Act.

14-63 SECTION 41. Section 33.57, Tax Code, as added by this Act,
 14-64 applies only to a cause of action pending on the effective date of
 14-65 this Act or brought after the effective date of this Act.

14-66 SECTION 42. Section 12.002(e), Property Code, as amended by
 14-67 this Act, applies only to a plat or replat of a subdivision that is
 14-68 filed for recordation on or after the effective date of this Act. A
 14-69 plat or replat of a subdivision that was filed for recordation

15-1 before the effective date of this Act is governed by the law in
 15-2 effect immediately before the effective date of this Act, and the
 15-3 former law is continued in effect for that purpose.

15-4 SECTION 43. Section 21.0211, Property Code, as added by
 15-5 this Act, applies only to an eminent domain proceeding that is
 15-6 commenced on or after the effective date of this Act. An eminent
 15-7 domain proceeding commenced before the effective date of this Act
 15-8 is governed by the law as it existed immediately before the
 15-9 effective date of this Act, and the former law is continued in
 15-10 effect for that purpose.

15-11 SECTION 44. Section 17.091, Civil Practice and Remedies
 15-12 Code, as amended by this Act, applies only to a cause of action
 15-13 pending on the effective date of this Act or brought after the
 15-14 effective date of this Act.

15-15 SECTION 45. Section 11.43(m), Tax Code, as added by this
 15-16 Act, applies only to eligibility for an exemption from ad valorem
 15-17 taxation under Section 11.13(c) or (d), Tax Code, for an individual
 15-18 65 years of age or older for a tax year beginning on or after January
 15-19 1, 2006.

15-20 SECTION 46. The following statutes are repealed:

- 15-21 (1) Section 13.007, Education Code;
- 15-22 (2) Sections 6.02(b)-(g), Tax Code;
- 15-23 (3) Section 6.025, Tax Code; and
- 15-24 (4) Section 6.03(m), Tax Code.

15-25 SECTION 47. (a) The changes in law made by this Act
 15-26 relating to the appraisal of property for ad valorem tax purposes
 15-27 apply only to the appraisal of property for a tax year that begins
 15-28 on or after January 1, 2006.

15-29 (b) The term of each appraisal district director in an
 15-30 appraisal district described by Section 6.025, Tax Code, as that
 15-31 law existed immediately before September 1, 2005, serving a
 15-32 staggered term that but for this subsection would expire after
 15-33 January 1, 2006, expires on January 1, 2006. The appraisal district
 15-34 board of directors shall fill the vacant directorships as soon as
 15-35 practicable after January 1, 2006, as provided by Section 6.03(l),
 15-36 Tax Code.

15-37 (c) Notwithstanding Section 6.03, Tax Code, a taxing unit is
 15-38 entitled to vote in 2005 for appraisal district directors for terms
 15-39 beginning on January 1, 2006, in each appraisal district in which
 15-40 the taxing unit will participate in 2006 under the law as amended by
 15-41 this Act. The voting entitlement of each taxing unit entitled to
 15-42 vote for directors in 2005 is determined for each appraisal
 15-43 district by dividing the total dollar amount of property taxes
 15-44 imposed by the taxing unit for the 2004 tax year in the county for
 15-45 which the appraisal district is established by the sum of the total
 15-46 dollar amount of property taxes imposed in that county for that year
 15-47 by each taxing unit that is entitled to vote for directors of that
 15-48 appraisal district under this subsection in 2005, by multiplying
 15-49 the quotient by 1,000, and by rounding the product to the nearest
 15-50 whole number. That number is multiplied by the number of
 15-51 directorships to be filled. A taxing unit located in two or more
 15-52 counties is entitled to vote in the appraisal district established
 15-53 for each county in which it is located, but only the taxes imposed
 15-54 in 2004 in the county for which a district is established are used
 15-55 to calculate the 2005 voting entitlement in that district.

15-56 (d) Notwithstanding Section 6.06, Tax Code, not later than
 15-57 September 15, 2005, the chief appraiser of each appraisal district
 15-58 shall revise the proposed 2006 budget for the district, if
 15-59 necessary, to account for the changes in law made by this Act.

15-60 (e) Notwithstanding Section 6.06, Tax Code, for the 2006 tax
 15-61 year, each taxing unit participating in an appraisal district in
 15-62 2006 is allocated a portion of the amount of the 2006 budget for the
 15-63 district equal to the proportion that the total dollar amount of
 15-64 property taxes imposed in the county for which the district is
 15-65 established by the unit for the 2005 tax year bears to the sum of the
 15-66 total dollar amount of property taxes imposed in the county by each
 15-67 participating unit for that year. If a taxing unit participates in
 15-68 two or more appraisal districts in 2006, only the 2005 taxes imposed
 15-69 in the county for which a district is established are used to

16-1 calculate the unit's cost allocations for 2006 in that district.

16-2 SECTION 48. (a) Except as provided by Subsection (b) of
16-3 this section, this Act takes effect September 1, 2005.

16-4 (b) The following sections of this Act take effect January
16-5 1, 2006:

16-6 (1) SECTION 3, amending Section 6.02(a), Tax Code;

16-7 (2) SECTION 26, amending Section 41.097(a), Education
16-8 Code;

16-9 (3) SECTION 27, amending Section 41.210(b), Education
16-10 Code; and

16-11 (4) SECTION 46, repealing Section 13.007, Education
16-12 Code, and Sections 6.02(b)-(g), 6.025, and 6.03(m), Tax Code.

16-13 * * * * *