

BILL ANALYSIS

Senate Research Center

H.B. 967
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The purpose of this bill is to provide financial relief to ranchers and other landowners whose agricultural-use or certain qualified open-space land is placed under quarantine due to an infestation of fever ticks. During quarantine, landowners suffer a loss in the value and usage of their land. Most landowners will spend significant amounts of money to move their livestock to other pasture land and incur other unexpected costs.

H.B. 967 entitles an owner of land designated for agricultural use on which the Texas Animal Health Commission has established a temporary quarantine of at least 90 days in duration in the current tax year for the purpose of regulating the handling of livestock and eradicating ticks or exposure to ticks at any time during a tax year, to reappraisal of the owner's land for that year on written request delivered to the chief appraiser.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to any state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Authorizes this Act to be cited as the Rancher Relief Act.

SECTION 2. Amends Subchapter C, Chapter 23, Tax Code, by adding Section 23.48, as follows:

Sec. 23.48. REAPPRAISAL OF LAND SUBJECT TO TEMPORARY QUARANTINE FOR TICKS. (a) Entitles an owner of land designated for agricultural use on which the Texas Animal Health Commission has established a temporary quarantine of at least 90 days in length in the current tax year for the purpose of regulating the handling of livestock and eradicating ticks or exposure to ticks at any time during a tax year to reappraisal (reappraisal) of the owner's land for that year on written request delivered to the chief appraiser.

(b) Requires the chief appraiser (appraiser), as soon as practicable after receiving a request for reappraisal, to complete the reappraisal. Requires that the effect on the value of the land caused by the infestation of ticks be an additional factor that is taken into account in determining the appraised value of the land under Section 23.41 (Appraisal of Property Subject to Environmental Response Requirement). Prohibits the appraised value of land reappraised under this section from exceeding the lesser of the market value of the land as determined by other appraisal methods or one-half of the original appraised value of the land for the current tax year.

(c) Prohibits a property owner from being required to pay the appraisal district for the costs of making the reappraisal. Requires each taxing unit that participates in the appraisal district and imposing taxes on the land to share the costs of the reappraisal in the proportion the total dollar amount of taxes imposed by that taxing unit on that land in the preceding year bears to the total dollar amount of taxes all taxing units participating in the appraisal district imposed on the land in the preceding year.

(d) Requires the governing body of each taxing unit that participates in an appraisal district and imposes taxes on land that is reappraised as provided by this section, to provide for prorating the taxes on the land for the tax year in which the reappraisal is conducted. Sets forth the method for determining the taxes due on land, if the taxes are prorated. Requires the assessor for each applicable taxing unit, notwithstanding Section 26.15 (Correction of Tax Roll), to enter the reappraised value on the appropriate tax roll together with the original appraised value and the calculation of the taxes imposed on the land under this section. Requires the assessor, if for any tax year the reappraisal results in a decrease in the tax liability of the landowner, to mail a new tax bill in the manner provided by Chapter 31 (Collections). Requires each taxing unit that imposed taxes on the land in that year, if the owner has paid the tax, to promptly refund the difference between the tax paid and the tax due on the lower appraised value.

(e) Requires the appraiser, in appraising the land for any subsequent tax year in which the Texas Animal Health Commission quarantine remains in place, to continue to take into account the effect on the value of the land caused by the infestation of ticks.

(f) Requires the owner of the land, if the owner is informed by the Texas Animal Health Commission that the quarantine is no longer in place, not later than the 30th day after the date on which the owner receives that information, to so notify the appraiser in writing. Provides that if the owner fails to notify the appraiser as required by this subsection, a penalty is imposed on the property equal to 10 percent of the difference between the taxes imposed on the property in each year it is erroneously allowed appraisal under this section and the taxes that would otherwise have been imposed.

(g) Requires the appraiser to make an entry in the appraisal records for the property against which the penalty is imposed indicating liability for the penalty and to deliver a written notice of imposition of the penalty to the person who owns the property. Requires the notice to include a brief explanation of the procedures for protesting the imposition of the penalty. Requires the assessor for each taxing unit that imposed taxes on the property on the basis of appraisal under this section to add the amount of the penalty to the unit's tax bill for taxes on the property against which the penalty is imposed. Requires the penalty to be collected at the same time and in the same manner as the taxes on the property against which the penalty is imposed. Provides that the amount of the penalty constitutes a lien on the property against which the penalty is imposed and accrues penalty and interest in the same manner as a delinquent tax.

SECTION 3. Amends Subchapter D, Chapter 23, Tax Code, by adding Section 23.60, as follows:

Sec. 23.60. REAPPRAISAL OF LAND SUBJECT TO TEMPORARY QUARANTINE FOR TICKS. (a) Entitles an owner of certain qualified open-space land to a reappraisal of the owner's land for that year on written request delivered to the appraiser.

(b) Requires that the appraiser complete the reappraisal, after receiving a request for reappraisal, as soon as practicable. Requires that in determining the appraised value of the land under Section 23.52 (Appraisal of Qualified Agricultural Land), that the effect on the value of the land caused by the infestation of ticks is an additional factor be taken into account. Prohibits the appraised value of land reappraised under this section from exceeding the lesser of the market value of the land as determined by other appraisal methods or one-half of the original appraised value of the land for the current tax year.

(c) Prohibits the property owner from being required to pay the appraisal district for the costs of making the reappraisal. Requires each taxing unit that participates in the appraisal district and imposes taxes on the land to share the costs of the

reappraisal in the proportion the total dollar amount of taxes imposed by that taxing unit on that land in the preceding year bears to the total dollar amount of taxes all taxing units participating in the appraisal district imposed on that land in the preceding year.

(d) Requires the governing body of each taxing unit participating in the appraisal district and imposes taxes on the land, if land is reappraised as provided by this section, to provide for prorating the taxes on the land for the tax year in which the reappraisal is conducted. Provides the method for determining taxes due on the land, if the taxes are prorated. Requires the assessor for each applicable taxing unit to enter the reappraised value on the appropriate tax roll together with the original appraised value and the calculation of the taxes imposed on the land under this section, notwithstanding Section 26.15. Requires that the assessor for the taxing unit, if for any tax year the reappraisal results in a decrease in the tax liability of the landowner, prepare and mail a new tax bill in the manner provided by Chapter 31. Requires each taxing unit that imposed taxes on the land in that tax year, if the owner has paid the tax, to promptly refund the difference between the tax paid and the tax due on the lower appraised value.

(e) Requires the appraiser, in appraising the land for any subsequent tax year in which the Texas Animal Health Commission quarantine remains in place, to continue to take into account the effect on the value of the land caused by the infestation of ticks.

(f) Requires the owner of the land, if the owner is informed by the Texas Animal Health Commission that the quarantine is no longer in place, not later than the 30th day after the date on which the owner received that information, to so notify the appraiser. Provides that if the owner fails to notify the chief appraiser as required by this subsection, a penalty is imposed on the property to equal to 10 percent of the difference between the taxes imposed on the property in each year it is erroneously allowed appraisal under this section and the taxes that would otherwise have been imposed.

(g) Requires the appraiser to make an entry in the appraisal records for the property against which the penalty is imposed indicating liability for the penalty and to deliver a written notice of imposition of the penalty to the person who owns the property. Requires the notice to include a brief explanation of the procedures for protesting the imposition of the penalty. Requires the assessor for each taxing unit that imposed taxes on the property on the basis of appraisal under this section to add the amount of the penalty to the unit's tax bill for taxes on the property against which the penalty is imposed. Provides that the amount of the penalty constitutes a lien on the property against which the penalty is imposed and accrues penalty and interest in the same manner as a delinquent tax.

SECTION 4. Effective date: upon passage or September 1, 2007.