

By: Guillen

H.B. No. 967

A BILL TO BE ENTITLED

AN ACT

relating to the reappraisal for ad valorem tax purposes of agricultural or open-space land on which the Texas Animal Health Commission has established a temporary quarantine for ticks.

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

SECTION 1. This Act may be cited as the Rancher Relief Act.

SECTION 2. Subchapter C, Chapter 23, Tax Code, is amended by adding Section 23.48 to read as follows:

Sec. 23.48. REAPPRAISAL OF LAND SUBJECT TO TEMPORARY QUARANTINE FOR TICKS. (a) 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 is entitled to a reappraisal of the owner's land for that year on written request delivered to the chief appraiser.

(b) As soon as practicable after receiving a request for reappraisal, the chief appraiser shall complete the reappraisal. In determining the appraised value of the land under Section 23.41, the effect on the value of the land caused by the infestation of ticks is an additional factor that must be taken into account. The appraised value of land reappraised under this section may not exceed the lesser of:

(1) the market value of the land as determined by other

1 appraisal methods; or

2 (2) one-half of the original appraised value of the  
3 land for the current tax year.

4 (c) A property owner may not be required to pay the  
5 appraisal district for the costs of making the reappraisal. Each  
6 taxing unit that participates in the appraisal district and imposes  
7 taxes on the land shall share the costs of the reappraisal in the  
8 proportion the total dollar amount of taxes imposed by that taxing  
9 unit on that land in the preceding year bears to the total dollar  
10 amount of taxes all taxing units participating in the appraisal  
11 district imposed on the land in the preceding year.

12 (d) If land is reappraised as provided by this section, the  
13 governing body of each taxing unit that participates in the  
14 appraisal district and imposes taxes on the land shall provide for  
15 prorating the taxes on the land for the tax year in which the  
16 reappraisal is conducted. If the taxes are prorated, taxes due on  
17 the land are determined as follows: the taxes on the land based on  
18 its value on January 1 of that year are multiplied by a fraction,  
19 the denominator of which is 365 and the numerator of which is the  
20 number of days in that year before the date the reappraisal was  
21 conducted; the taxes on the land based on its reappraised value are  
22 multiplied by a fraction, the denominator of which is 365 and the  
23 numerator of which is the number of days, including the date the  
24 reappraisal was conducted, remaining in the year; and the total of  
25 the two amounts is the amount of taxes imposed on the land for that  
26 year. Notwithstanding Section 26.15, the assessor for each  
27 applicable taxing unit shall 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. If for any tax year the reappraisal results in a decrease in the tax liability of the landowner, the assessor for the taxing unit shall prepare and mail a new tax bill in the manner provided by Chapter 31. If the owner has paid the tax, each taxing unit that imposed taxes on the land in that year shall promptly refund the difference between the tax paid and the tax due on the lower appraised value.

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

(f) If the owner of the land 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 the owner of the land shall so notify the chief appraiser in writing. If the owner fails to notify the chief 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) The chief appraiser shall make an entry in the appraisal records for the property against which the penalty is imposed indicating liability for the penalty and shall deliver a written notice of imposition of the penalty to the person who owns the property. The notice shall include a brief explanation of the

procedures for protesting the imposition of the penalty. The  
assessor for each taxing unit that imposed taxes on the property on  
the basis of appraisal under this section shall add the amount of  
the penalty to the unit's tax bill for taxes on the property against  
which the penalty is imposed. The penalty shall be collected at the  
same time and in the same manner as the taxes on the property  
against which the penalty is imposed. 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. Subchapter D, Chapter 23, Tax Code, is amended by  
adding Section 23.60 to read as follows:

Sec. 23.60. REAPPRAISAL OF LAND SUBJECT TO TEMPORARY  
QUARANTINE FOR TICKS. (a) An owner of qualified open-space land,  
other than land used for wildlife management, 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 is entitled to a  
reappraisal of the owner's land for that year on written request  
delivered to the chief appraiser.

(b) As soon as practicable after receiving a request for  
reappraisal, the chief appraiser shall complete the reappraisal.  
In determining the appraised value of the land under Section 23.52,  
the effect on the value of the land caused by the infestation of  
ticks is an additional factor that must be taken into account. The  
appraised value of land reappraised under this section may not

1 exceed the lesser of:

2 (1) the market value of the land as determined by other  
3 appraisal methods; or

4 (2) one-half of the original appraised value of the  
5 land for the current tax year.

6 (c) A property owner may not be required to pay the  
7 appraisal district for the costs of making the reappraisal. Each  
8 taxing unit that participates in the appraisal district and imposes  
9 taxes on the land shall share the costs of the reappraisal in the  
10 proportion the total dollar amount of taxes imposed by that taxing  
11 unit on that land in the preceding year bears to the total dollar  
12 amount of taxes all taxing units participating in the appraisal  
13 district imposed on that land in the preceding year.

14 (d) If land is reappraised as provided by this section, the  
15 governing body of each taxing unit that participates in the  
16 appraisal district and imposes taxes on the land shall provide for  
17 prorating the taxes on the land for the tax year in which the  
18 reappraisal is conducted. If the taxes are prorated, taxes due on  
19 the land are determined as follows: the taxes on the land based on  
20 its value on January 1 of that year are multiplied by a fraction,  
21 the denominator of which is 365 and the numerator of which is the  
22 number of days in that year before the date the reappraisal was  
23 conducted; the taxes on the land based on its reappraised value are  
24 multiplied by a fraction, the denominator of which is 365 and the  
25 numerator of which is the number of days, including the date the  
26 reappraisal was conducted, remaining in the year; and the total of  
27 the two amounts is the amount of taxes imposed on the land for that

1 year. Notwithstanding Section 26.15, the assessor for each  
2 applicable taxing unit shall enter the reappraised value on the  
3 appropriate tax roll together with the original appraised value and  
4 the calculation of the taxes imposed on the land under this section.  
5 If for any tax year the reappraisal results in a decrease in the tax  
6 liability of the landowner, the assessor for the taxing unit shall  
7 prepare and mail a new tax bill in the manner provided by Chapter  
8 31. If the owner has paid the tax, each taxing unit that imposed  
9 taxes on the land in that year shall promptly refund the difference  
10 between the tax paid and the tax due on the lower appraised value.

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

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

24 (g) The chief appraiser shall make an entry in the appraisal  
25 records for the property against which the penalty is imposed  
26 indicating liability for the penalty and shall deliver a written  
27 notice of imposition of the penalty to the person who owns the

1 property. The notice shall include a brief explanation of the  
2 procedures for protesting the imposition of the penalty. The  
3 assessor for each taxing unit that imposed taxes on the property on  
4 the basis of appraisal under this section shall add the amount of  
5 the penalty to the unit's tax bill for taxes on the property against  
6 which the penalty is imposed. The penalty shall be collected at the  
7 same time and in the same manner as the taxes on the property  
8 against which the penalty is imposed. The amount of the penalty  
9 constitutes a lien on the property against which the penalty is  
10 imposed and accrues penalty and interest in the same manner as a  
11 delinquent tax.

12         SECTION 4. This Act takes effect immediately if it receives  
13 a vote of two-thirds of all the members elected to each house, as  
14 provided by Section 39, Article III, Texas Constitution. If this  
15 Act does not receive the vote necessary for immediate effect, this  
16 Act takes effect September 1, 2007.