

SENATE AMENDMENTS

2nd Printing

By: England

H.B. No. 1899

A BILL TO BE ENTITLED

AN ACT

relating to the sale of certain real property at an ad valorem tax sale and to the right of redemption in connection with that real property.

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

SECTION 1. Section 33.57, Tax Code, is amended by amending Subsections (b), (c), and (e) and by adding Subsections (o) and (p) to read as follows:

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

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

(2) there are:

(A) five or more years for which delinquent taxes are owed on the parcel, if the parcel is located in a municipality having a population of more than 100,000 that is situated in two or more counties, at least two of which have a population of more than one million, and in a subdivision having an average lot size of one-tenth of an acre or more; or

(B) 10 or more years for which delinquent taxes are owed on the parcel, if the parcel is not covered by Paragraph

1 (A).

2 (c) One or more taxing units may file a single petition for
3 foreclosure under this section that includes multiple parcels of
4 property and multiple owners. Alternatively, separate petitions
5 may be filed and docketed separately for each parcel of property.
6 Another taxing unit with a tax claim against the same parcel may
7 intervene in an action for the purpose of establishing and
8 foreclosing its tax lien without further notice to a defendant. The
9 petition must be filed in the county in which the tax was imposed
10 and is sufficient if it is in substantially the form prescribed by
11 Section 33.43 and further alleges one or more of the grounds for
12 invoking this section provided by Subsection (b) [~~that:~~

13 [~~(1) the amount owed in delinquent taxes, penalties,~~
14 ~~interest, and attorney's fees exceeds the appraised value of the~~
15 ~~parcel, or~~

16 [~~(2) there are 10 or more years for which delinquent~~
17 ~~taxes are owed on the parcel].~~

18 (e) The court shall approve a motion under Subsection (d) if
19 the documents in support of the motion show that one or more of the
20 grounds for invoking this section provided by Subsection (b)
21 exists[+

22 [~~(1) the amount of delinquent taxes, penalties,~~
23 ~~interest, and attorney's fees that are owed exceeds the appraised~~
24 ~~value of the parcel, or~~

25 [~~(2) there are 10 or more years for which delinquent~~
26 ~~taxes are owed on the parcel].~~

27 (o) If a taxing unit's petition filed under this section

1 includes multiple parcels of property to which Subsection (b)(2)(A)
2 applies and if requested by the taxing unit, the court's order of
3 sale shall provide that the officer conducting the sale shall sell
4 the parcels in solido, regardless of whether the parcels adjoin one
5 another or have common ownership.

6 (p) If the officer conducting the sale of the property is
7 ordered to sell the property in solido under Subsection (o), the
8 officer shall use, in calculating the minimum bid amount under
9 Section 33.50(b) or (c), as appropriate:

10 (1) the aggregate of all amounts awarded against the
11 multiple parcels of property as the aggregate amount of the
12 judgments; or

13 (2) the aggregate of the adjudged market values of the
14 multiple parcels of property as the market value of the property
15 stated in the judgment.

16 SECTION 2. Section 34.21, Tax Code, is amended by adding
17 Subsection (1) to read as follows:

18 (1) If multiple parcels of property are sold in solido under
19 an order of sale issued under Section 33.57(o), the amounts
20 prescribed by this section that must be paid in redeeming property
21 shall, for the purpose of redeeming an individual parcel of
22 property, be in an amount equal to the taxes, penalties, interest,
23 and attorney's fees adjudged against that individual parcel.

24 SECTION 3. The change in law made by this Act to Section
25 33.57, Tax Code, applies only to an action brought under that
26 section on or after the effective date of this Act.

27 SECTION 4. This Act takes effect September 1, 2007.

ADOPTED

MAY 23 2007

Atty. Gen.
Secretary of the Senate

By: Chris Harris

H.B. No. 1899

Substitute the following for H.B. No. 1899:

By: Walter N. B.

C.S. H.B. No. 1899

A BILL TO BE ENTITLED

AN ACT

relating to the sale of certain real property at an ad valorem tax sale and to the right of redemption in connection with that real property.

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

SECTION 1. Subchapter C, Chapter 33, Tax Code, is amended by adding Section 33.58 to read as follows:

Sec. 33.58. ALTERNATIVE NOTICE OF FORECLOSURE FOR PARCELS IN CERTAIN MUNICIPALITIES. (a) This section may be invoked and used by one or more taxing units if there are delinquent taxes, penalties, interest, and attorney's fees owing to a taxing unit on a parcel of real property and there are five or more years for which delinquent taxes are owed on the parcel, if the parcel is located in a municipality having a population of more than 100,000 that is situated in two or more counties, at least two of which have a population of more than one million, and in a subdivision having an average lot size of one-fifth of an acre or less.

(b) If a taxing unit invokes this section, the procedures and other provisions of Section 33.57 apply except as otherwise provided by this section.

(c) Notwithstanding Section 33.57(c), a petition for foreclosure under this section is sufficient if it is in substantially the form prescribed by Section 33.43 and further alleges the grounds for invoking this section provided by

1 Subsection (a).

2 (d) Notwithstanding Section 33.57(e), a court shall approve
3 a motion under Section 33.57(d) if the documents in support of the
4 motion show that the grounds for invoking this section provided by
5 Subsection (a) exist.

6 (e) If a taxing unit's petition includes multiple parcels of
7 property and if requested by the taxing unit, the court's order of
8 sale shall provide that the officer conducting the sale shall sell
9 the parcels in solido, regardless of whether the parcels adjoin one
10 another or have common ownership.

11 (f) If the officer conducting the sale of the property is
12 ordered to sell the property in solido under Subsection (e), the
13 officer shall use, in calculating the minimum bid amount under
14 Section 33.50(b) or (c), as appropriate:

15 (1) the aggregate of all amounts awarded against the
16 multiple parcels of property as the aggregate amount of the
17 judgments; or

18 (2) the aggregate of the adjudged market values of the
19 multiple parcels of property as the market value of the property
20 stated in the judgment.

21 (g) If multiple parcels of property are sold in solido under
22 an order of sale issued under Subsection (e), the amounts
23 prescribed by Section 34.21 that must be paid in redeeming property
24 shall, for the purpose of redeeming an individual parcel of
25 property, be in an amount equal to the taxes, penalties, interest,
26 and attorney's fees adjudged against that individual parcel.

27 (h) This section expires September 1, 2017.

1 SECTION 2. The change in law made by this Act applies only
2 to an action brought on or after the effective date of this Act.

3 SECTION 3. This Act takes effect September 1, 2007.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 17, 2007

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1899 by England (Relating to the sale of certain real property at an ad valorem tax sale and to the right of redemption in connection with that real property.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

The bill would add Section 33.58 to the Tax Code to allow the aggregation of multiple tracts to be sold at a foreclosure sale when there are five or more years (currently 10 years) of delinquent taxes on a group of similarly situated parcels. The amendment would apply only in cases where the delinquent parcels were in a municipality with a population of more than 100,000 situated in two or more counties, at least two of which have a population of more than one million and in a subdivision having an average lot size of one-tenth of an acre or more.

The bill would allow aggregation after a court allowed the aggregated tracts to be sold in solido (together) to facilitate transfer.

The new section of code would expire September 1, 2017 and would apply only to an action brought on or after the effective date of the bill, which would be September 1, 2007.

Because the state is constitutionally prohibited from imposing a state property tax, there would be no direct fiscal impact on the state.

Local Government Impact

Passage of the bill would be purely local in impact and would facilitate the passage of title to property subject to delinquent taxes to local units for later sale to defray costs to the units. Based on the 2000 U.S. Census and the population criteria set out in the bill, the bill would apply only to the City of Grand Prairie.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, DB, CT, SD, SJS

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 12, 2007

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1899 by England (Relating to the sale of certain real property at an ad valorem tax sale and to the right of redemption in connection with that real property.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend Sections 33.57 and 34.21 of the Tax Code to allow the aggregation of multiple tracts to be sold at a foreclosure sale when there are five or more years (currently 10 years) of delinquent taxes on a group of similarly situated parcels. The amendment would apply in cases where the delinquent parcels were in a municipality with a population of more than 100,000 situated in two or more counties, at least two of which have a population of more than one million and in a subdivision having an average lot size of one-tenth of an acre or more.

The bill would allow aggregation after a court allowed the aggregated tracts to be sold in solido (together) to facilitate transfer.

Because the state is constitutionally prohibited from imposing a state property tax, there would be no direct fiscal impact on the state.

This bill would take effect September 1, 2007.

Local Government Impact

Passage of this bill would be purely local in impact and would facilitate the passage of title to property subject to delinquent taxes to local units for later sale to defray costs to the units.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, DB, CT, SD, SJS

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 22, 2007

TO: Honorable Fred Hill, Chair, House Committee on Local Government Ways & Means

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: **HB1899** by England (Relating to the sale of certain real property at an ad valorem sale and to the right of redemption in connection with that real property.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend Sections 33.57 and 34.21 of the Tax Code to allow the aggregation of multiple tracts to be sold at a foreclosure sale when there are five or more years (currently 10 years) of delinquent taxes on a group of similarly situated parcels. The amendment would apply in cases where the delinquent parcels were in a municipality with a population of more than 100,000 situated in two or more counties, at least two of which have a population of more than one million and in a subdivision having an average lot size of one-tenth of an acre or more.

The bill would allow aggregation after a court allowed the aggregated tracts to be sold in solido (together) to facilitate transfer.

Because the state is constitutionally prohibited from imposing a state property tax, there would be no direct fiscal impact on the state.

This bill would take effect September 1, 2007.

Local Government Impact

Passage of this bill would be purely local in impact and would facilitate the passage of title to property subject to delinquent taxes to local units for later sale to defray costs to the units.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, CT, SD, SJS

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 15, 2007

TO: Honorable Fred Hill, Chair, House Committee on Local Government Ways & Means

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1899 by England (Relating to the sale of real property at an ad valorem tax sale and the right of redemption in connection with real property sold at a tax sale.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Sections 33.57 and 34.21 of the Tax Code to allow the aggregation of multiple tracts to be sold at a foreclosure sale when there are five or more years (currently 10 years) of delinquent taxes on a group of similarly situated parcels.

The bill would allow aggregation after a court allowed the aggregated tracts to be sold in solido (together) to facilitate transfer.

Because the state is constitutionally prohibited from imposing a state property tax, there would be no direct fiscal impact on the state.

This bill would take effect September 1, 2007.

Local Government Impact

Passage of this bill would be purely local in impact and would facilitate the passage of title to property subject to delinquent taxes to local units for later sale to defray costs to the units.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, CT, SD, SJS