

## **BILL ANALYSIS**

H.B. 2230  
By: Parker  
Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Currently, if a property owner decides to change the property's designation from an agricultural use to a nonagricultural use, the property owner must pay the property taxes and the interest on those taxes for the three years preceding the year in which the designation is changed.

H.B. 2230 removes the liability for interest on the total amount of additional taxes due if land designated for agricultural use for property tax purposes is sold or diverted to a nonagricultural use.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 2230 amends the Tax Code to remove the addition of interest at the rate provided for delinquent taxes to the total amount of additional property taxes that becomes due on land designated for agricultural use in any year the land is sold or diverted to a nonagricultural use, and makes conforming changes.

### **EFFECTIVE DATE**

September 1, 2009.