

By: Parker

H.B. No. 2230

A BILL TO BE ENTITLED

AN ACT

1
2 relating to liability for interest if land designated for
3 agricultural use for ad valorem tax purposes is sold or diverted to
4 a nonagricultural use.

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

6 SECTION 1. Sections 23.46(c) and (d), Tax Code, are amended
7 to read as follows:

8 (c) If land that has been designated for agricultural use in
9 any year is sold or diverted to a nonagricultural use, the total
10 amount of additional taxes for the three years preceding the year in
11 which the land is sold or diverted [~~plus interest at the rate~~
12 ~~provided for delinquent taxes~~] becomes due. A determination that
13 the land has been diverted to a nonagricultural use is made by the
14 chief appraiser. For purposes of this subsection, the chief
15 appraiser may not consider any period during which land is owned by
16 the state in determining whether the land has been diverted to a
17 nonagricultural use. The chief appraiser shall deliver a notice of
18 the determination to the owner of the land as soon as possible after
19 making the determination and shall include in the notice an
20 explanation of the owner's right to protest the determination. If
21 the owner does not file a timely protest or if the final
22 determination of the protest is that the additional taxes are due,
23 the assessor for each taxing unit shall prepare and deliver a bill
24 for the additional taxes [~~plus interest~~] as soon as practicable

1 after the change of use occurs. If the additional taxes are due
2 because of a sale of the land, the assessor for each taxing unit
3 shall prepare and deliver the bill as soon as practicable after the
4 sale occurs. The taxes [~~and interest~~] are due and become delinquent
5 and incur penalties and interest as provided by law for other
6 delinquent ad valorem taxes imposed by the taxing unit if not paid
7 before the next February 1 that is at least 20 days after the date
8 the bill is delivered to the owner of the land.

9 (d) A tax lien attaches to the land on the date the sale or
10 change of use occurs to secure payment of the additional tax [~~and~~
11 ~~interest~~] imposed by Subsection (c) [~~of this section~~] and any
12 penalties and interest incurred if the tax becomes delinquent. The
13 lien exists in favor of all taxing units for which the additional
14 tax is imposed.

15 SECTION 2. The change in law made by this Act applies only
16 to a sale or diversion to a nonagricultural use of land appraised
17 under Subchapter C, Chapter 23, Tax Code, that occurs on or after
18 the effective date of this Act.

19 SECTION 3. This Act takes effect September 1, 2009.