

By: Parker

H.B. No. 241

A BILL TO BE ENTITLED

AN ACT

1
2 relating to liability for interest if land appraised for ad valorem
3 tax purposes as agricultural or open-space land is sold or diverted
4 to a different use.

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

6 SECTION 1. Section 23.46, Tax Code, is amended by adding
7 Subsection (c-1) to read as follows:

8 (c-1) This subsection applies to a sale or diversion to a
9 nonagricultural use of land designated for agricultural use under
10 this subchapter if the sale or diversion to a nonagricultural use
11 occurs on or after September 1, 2011, and before January 1, 2022,
12 and the sale or diversion of use results in the imposition of
13 additional taxes under this section. Notwithstanding Subsection
14 (c), interest does not become due under that subsection on
15 additional taxes that become due under that subsection, and the tax
16 bill for those taxes may not include any amount of that interest. A
17 reference in this subchapter to additional taxes and interest on
18 the taxes imposed by Subsection (c) shall be treated as a reference
19 solely to the additional taxes. This subsection does not affect
20 liability for interest that becomes due on the additional taxes if
21 those taxes become delinquent. This subsection expires January 1,
22 2024.

23 SECTION 2. Section 23.55, Tax Code, is amended by adding
24 Subsection (a-1) to read as follows:

1 (a-1) This subsection applies to a change in use of land
2 that has been appraised as provided by this subchapter if the change
3 in use occurs on or after September 1, 2011, and before January 1,
4 2022, and the change in use results in the imposition of additional
5 taxes under this section. Notwithstanding Subsection (a), interest
6 does not become due under that subsection on additional taxes that
7 become due under that subsection, and the tax bill for those taxes
8 may not include any amount of that interest. A reference in this
9 subchapter to additional taxes and interest on the taxes imposed
10 under this section shall be treated as a reference solely to the
11 additional taxes. This subsection does not affect liability for
12 interest that becomes due under Subsection (e) on the additional
13 taxes if those taxes become delinquent. This subsection expires
14 January 1, 2024.

15 SECTION 3. This Act takes effect September 1, 2011.