

By: Uresti

S.B. No. 1647

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the payment of ad valorem taxes on mineral interests
3 held by an entity other than the owner.

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

5 SECTION 1. Section 32.07, Tax Code, is amended by adding
6 Subsection (i) as follows:

7 (i) If revenues from a producing mineral interest are held
8 by an entity other than the legal owner of that producing mineral
9 interest, the property taxes due on that interest shall be paid by
10 the entity which holds the funds, to the extent that such payment
11 does not exceed the total amount of funds held in escrow for that
12 interest owner.

13 SECTION 2. This Act takes effect September 1, 2011.