

By: Rodriguez of Travis

H.B. No. 40

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility of land for appraisal for ad valorem tax purposes as qualified open-space land.

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

SECTION 1. Section 23.51, Tax Code, is amended by amending Subdivisions (1) and (2) and adding Subdivision (9) to read as follows:

(1) "Qualified open-space land" means land that is currently devoted principally to agricultural use to the degree of intensity generally accepted in the area and that has been devoted principally to agricultural use or to production of timber or forest products for five of the preceding seven years or land that is used principally as an ecological laboratory by a public or private college or university. In determining whether agricultural use meets the degree of intensity generally accepted in the area, a chief appraiser shall consider the cumulative effect of all agricultural uses of a tract of land, including producing fruits and vegetables and raising or keeping livestock, and not each use in isolation. Qualified open-space land includes all appurtenances to the land. For the purposes of this subdivision, appurtenances to the land means private roads, dams, reservoirs, water wells, canals, ditches, terraces, and other reshaping of the soil, fences, and riparian water rights. Notwithstanding the other provisions of this subdivision, land that is currently devoted

1 principally to wildlife management as defined by Subdivision (7)(B)
2 or (C) to the degree of intensity generally accepted in the area
3 qualifies for appraisal as qualified open-space land under this
4 subchapter regardless of the manner in which the land was used in
5 any preceding year.

6 (2) "Agricultural use" includes but is not limited to
7 the following activities: cultivating the soil, producing crops
8 for human food, animal feed, or planting seed or for the production
9 of fibers; producing fruits and vegetables; floriculture,
10 viticulture, and horticulture; raising or keeping livestock;
11 raising or keeping exotic animals for the production of human food
12 or of fiber, leather, pelts, or other tangible products having a
13 commercial value; planting cover crops or leaving land idle for the
14 purpose of participating in a governmental program, provided the
15 land is not used for residential purposes or a purpose inconsistent
16 with agricultural use; and planting cover crops or leaving land
17 idle in conjunction with normal crop or livestock rotation
18 procedure. The term also includes the use of land to produce or
19 harvest logs and posts for the use in constructing or repairing
20 fences, pens, barns, or other agricultural improvements on adjacent
21 qualified open-space land having the same owner and devoted to a
22 different agricultural use. The term also includes the use of land
23 for wildlife management. The term also includes the use of land to
24 raise or keep bees for pollination or for the production of human
25 food or other tangible products having a commercial value, provided
26 that the land used is not less than 5 or more than 20 acres. The term
27 also includes the use of land for a nonprofit community garden.

1 (9) "Nonprofit community garden" means land owned or
2 leased by a nonprofit entity, as defined by Section 1.002, Business
3 Organizations Code, and gardened by a cooperative group of people
4 residing in a neighborhood or community for the purpose of
5 providing without profit fresh produce for the benefit of the
6 residents of the neighborhood or community.

7 SECTION 2. Subchapter D, Chapter 23, Tax Code, is amended by
8 adding Section 23.5215 to read as follows:

9 Sec. 23.5215. GUIDELINES FOR QUALIFICATION OF SMALL TRACTS
10 AND NONPROFIT COMMUNITY GARDENS. (a) The comptroller shall develop
11 guidelines for determining whether land under 10 acres in size used
12 for the production of fruits, vegetables, poultry, hogs, sheep, or
13 goats qualifies for appraisal under this subchapter.

14 (b) The comptroller, in consultation with the Texas A&M
15 AgriLife Extension Service and individuals selected by the
16 comptroller who are nonprofit community garden stakeholders, shall
17 develop guidelines consistent with the definition provided by
18 Section 23.51(9) for determining whether land qualifies as a
19 nonprofit community garden for appraisal under this subchapter.

20 SECTION 3. (a) Not later than September 1, 2014, the
21 comptroller shall develop guidelines required by Section
22 23.5215(a), Tax Code, as added by this Act, and shall distribute
23 those guidelines to each appraisal district.

24 (b) Not later than September 1, 2014, the comptroller, in
25 consultation with the Texas A&M AgriLife Extension Service and
26 individuals selected by the comptroller who are nonprofit community
27 garden stakeholders, shall develop guidelines required by Section

1 23.5215(b), Tax Code, as added by this Act, and shall distribute
2 those guidelines to each appraisal district.

3 SECTION 4. This Act applies only to the appraisal of land
4 for ad valorem tax purposes for a tax year that begins on or after
5 January 1, 2015.

6 SECTION 5. This Act takes effect on the 91st day after the
7 last day of the legislative session.