By: Parker, et al. H.B. No. 1208

A BILL TO BE ENTITLED

AN ACT

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

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

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

(c-1) This subsection applies to a sale or diversion to a nonagricultural use of land designated for agricultural use under this subchapter if the sale or diversion to a nonagricultural use occurs on or after September 1, 2013, and before January 1, 2024, and the sale or diversion of use results in the imposition of additional taxes under this section. Notwithstanding Subsection (c), interest does not become due under that subsection on additional taxes that become due under that subsection, and the tax bill for those taxes may not include any amount of that interest. A reference in this subchapter to additional taxes and interest on the taxes imposed by Subsection (c) shall be treated as a reference solely to the additional taxes. This subsection does not affect liability for interest that becomes due on the additional taxes if those taxes become delinquent. This subsection expires January 1, 2026.

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

(a-1) This subsection applies to a change in use of land that has been appraised as provided by this subchapter if the change in use occurs on or after September 1, 2013, and before January 1, 2024, and the change in use results in the imposition of additional taxes under this section. Notwithstanding Subsection (a), interest does not become due under that subsection on additional taxes that become due under that subsection, and the tax bill for those taxes may not include any amount of that interest. A reference in this subchapter to additional taxes and interest on the taxes imposed under this section shall be treated as a reference solely to the additional taxes. This subsection does not affect liability for interest that becomes due under Subsection (e) on the additional taxes if those taxes become delinquent. This subsection expires January 1, 2026.

SECTION 3. This Act takes effect September 1, 2013.