

BILL ANALYSIS

H.B. 128
By: Goldman
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties observe that the property tax exemption for certain mineral interests was adopted approximately two decades ago and is in need of an update. With the increase in oil and gas drilling in Texas, the parties contend that the current exemption threshold is too low and should be adjusted according to inflation and the number of mineral accounts that are now on the tax roll statewide. H.B. 128 seeks to address this issue.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 128 amends the Tax Code, for purposes of exempting certain mineral interests from property taxation, to raise the maximum taxable value of a mineral interest entitling the owner of the interest to such an exemption from a taxable value of less than \$500 to a taxable value of less than \$2,000.

EFFECTIVE DATE

January 1, 2016.