

By: Fletcher

H.B. No. 1513

A BILL TO BE ENTITLED

AN ACT

relating to the ad valorem taxation of qualified open-space land.

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

SECTION 1. Sections 23.51(1) and (2), Tax Code, are amended 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 for the preceding year or land that is used principally as an ecological laboratory by a public or private college or university. 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 principally to wildlife management as defined by Subdivision (7)(B) or (C) to the degree of intensity generally accepted in the area qualifies for appraisal as qualified open-space land under this subchapter regardless of the manner in which the land was used in any preceding year.

(2) "Agricultural use" includes but is not limited to the following activities: cultivating the soil, producing crops

1 for human food, animal feed, or planting seed or for the production
 2 of fibers; floriculture, viticulture, and horticulture; raising or
 3 keeping livestock; raising or keeping exotic animals for the
 4 production of human food or of fiber, leather, pelts, or other
 5 tangible products having a commercial value; planting cover crops
 6 or leaving land idle for the purpose of participating in a
 7 governmental program, provided the land is not used for residential
 8 purposes or a purpose inconsistent with agricultural use; and
 9 planting cover crops or leaving land idle in conjunction with
 10 normal crop or livestock rotation procedure. The term also
 11 includes the use of land to produce or harvest logs and posts for
 12 the use in constructing or repairing fences, pens, barns, or other
 13 agricultural improvements on adjacent qualified open-space land
 14 having the same owner and devoted to a different agricultural
 15 use. The term also includes the use of land for wildlife
 16 management. The term also includes the use of land to raise or keep
 17 bees for pollination or for the production of human food or other
 18 tangible products having a commercial value, provided that the land
 19 used is not less than 2 [~~5~~] or more than 20 acres.

20 SECTION 2. Section [23.55](#)(a), Tax Code, is amended to read as
 21 follows:

22 (a) If the use of land that has been appraised as provided by
 23 this subchapter changes, an additional tax is imposed on the land
 24 equal to the difference between the taxes imposed on the land for
 25 each of the two [~~five~~] years preceding the year in which the change
 26 of use occurs that the land was appraised as provided by this
 27 subchapter and the tax that would have been imposed had the land

1 been taxed on the basis of market value in each of those years, plus
2 interest at an annual rate of seven percent calculated from the
3 dates on which the differences would have become due. For purposes
4 of this subsection, the chief appraiser may not consider any period
5 during which land is owned by the state in determining whether a
6 change in the use of the land has occurred.

7 SECTION 3. Section 23.51, Tax Code, as amended by this Act,
8 applies only to the appraisal of land for ad valorem tax purposes
9 for a tax year that begins on or after the effective date of this
10 Act.

11 SECTION 4. Section 23.55, Tax Code, as amended by this Act,
12 applies only to a change in the use of land appraised under
13 Subchapter D, Chapter 23, Tax Code, that occurs on or after the
14 effective date of this Act. A change in the use of land appraised
15 under Subchapter D, Chapter 23, Tax Code, that occurred before the
16 effective date of this Act is governed by the law in effect on the
17 date the change in use occurred, and the former law is continued in
18 effect for that purpose.

19 SECTION 5. This Act takes effect January 1, 2016.