

By: Zaffirini

S.B. No. 1581

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the eligibility of land for appraisal for ad valorem tax
3 purposes as qualified open-space land.

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

5 SECTION 1. Section 23.51, Tax Code, is amended by amending
6 Subdivisions (1) and (2) and adding Subdivisions (9) and (10) to
7 read as follows:

8 (1) "Qualified open-space land" means land that is
9 currently devoted principally to agricultural use to the degree of
10 intensity generally accepted in the area and that has been devoted
11 principally to agricultural use or to production of timber or
12 forest products for five of the preceding seven years or land that
13 is used principally as an ecological laboratory by a public or
14 private college or university. A chief appraiser shall distinguish
15 between the degree of intensity required for various agricultural
16 production methods, including uncommon production methods or
17 systems. Qualified open-space land includes all appurtenances to
18 the land. For the purposes of this subdivision, appurtenances to
19 the land means private roads, dams, reservoirs, water wells,
20 canals, ditches, terraces, and other reshaping of the soil,
21 fences, and riparian water rights. Notwithstanding the other
22 provisions of this subdivision, land that is currently devoted
23 principally to wildlife management as defined by Subdivision (7)(B)
24 or (C) to the degree of intensity generally accepted in the area

1 qualifies for appraisal as qualified open-space land under this
2 subchapter regardless of the manner in which the land was used in
3 any preceding year. Land may not be disqualified for appraisal as
4 qualified open-space land under this subchapter solely because the
5 method or system by which the land is used for agricultural purposes
6 constitutes an uncommon production method or system.

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

1 term also includes the use of land for a nonprofit community garden.

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

8 (10) "Uncommon production method or system" means a
9 method or system of agricultural use that is nontraditional or not
10 typical for the area, including small-scale production,
11 diversified agricultural use of a tract, pastured poultry, organic
12 and sustainable production, and rotational grazing.

13 SECTION 2. Subchapter D, Chapter 23, Tax Code, is amended by
14 adding Sections 23.5215 and 23.5216 to read as follows:

15 Sec. 23.5215. STANDARDS FOR QUALIFICATION OF LAND IF
16 UNCOMMON PRODUCTION METHOD OR SYSTEM USED. (a) The comptroller, in
17 consultation with the Texas A&M AgriLife Extension Service, the
18 Department of Agriculture, individuals selected by the comptroller
19 who represent urban and rural appraisal districts, and individuals
20 selected by the comptroller who use uncommon production methods or
21 systems, shall develop standards consistent with the definition
22 provided by Section 23.51(10) for determining whether land used for
23 agricultural purposes by means of an uncommon production method or
24 system qualifies for appraisal under this subchapter. The
25 standards must provide that land that qualifies for appraisal under
26 this subchapter solely on the basis of its use for agricultural
27 purposes by means of an uncommon production method or system may not

1 subsequently qualify under Section 23.51(7) for appraisal under
2 this subchapter if the owner changes the use of the land to wildlife
3 management. The comptroller by rule shall adopt the standards
4 developed under this subsection and distribute those standards to
5 each appraisal district.

6 (b) The standards may take into consideration one or more of
7 the following factors:

8 (1) the uncommon production method or system used;

9 (2) the type of agricultural use being made of the
10 land;

11 (3) the region in this state in which the land is
12 located; and

13 (4) any other factor the comptroller determines is
14 relevant.

15 (c) In determining whether land used for agricultural
16 purposes by means of an uncommon production method or system
17 qualifies for appraisal under this subchapter, the chief appraiser
18 and the appraisal review board shall apply the standards adopted
19 under Subsection (a) and, to the extent they do not conflict with
20 those standards, the appraisal manuals developed and distributed
21 under Section 23.52(d).

22 Sec. 23.5216. STANDARDS FOR QUALIFICATION OF NONPROFIT
23 COMMUNITY GARDENS. (a) The comptroller, in consultation with the
24 Texas A&M AgriLife Extension Service and individuals selected by
25 the comptroller who are nonprofit community garden stakeholders,
26 shall develop standards consistent with the definition provided by
27 Section 23.51(9) for determining whether land qualifies as a

1 nonprofit community garden for appraisal under this subchapter.
2 The comptroller by rule shall adopt the standards developed under
3 this subsection and distribute those standards to each appraisal
4 district.

5 (b) In determining whether land qualifies as a nonprofit
6 community garden for appraisal under this subchapter, the chief
7 appraiser and the appraisal review board shall apply the standards
8 adopted under Subsection (a) and, to the extent they do not conflict
9 with those standards, the appraisal manuals developed and
10 distributed under Section 23.52(d).

11 SECTION 3. (a) Not later than September 1, 2016, the
12 comptroller, in consultation with the Texas A&M Agrilife Extension
13 Service, the Department of Agriculture, and individuals selected by
14 the comptroller under Section 23.5215, Tax Code, as added by this
15 Act, shall develop standards required by that section and shall
16 distribute those standards to each appraisal district.

17 (b) Not later than September 1, 2016, the comptroller, in
18 consultation with the Texas A&M AgriLife Extension Service and
19 individuals selected by the comptroller who are nonprofit community
20 garden stakeholders, shall develop standards required by Section
21 23.5216, Tax Code, as added by this Act, and shall distribute those
22 standards to each appraisal district.

23 SECTION 4. This Act applies only to the appraisal of land
24 for ad valorem tax purposes for a tax year that begins on or after
25 January 1, 2017.

26 SECTION 5. This Act takes effect September 1, 2015.