

By: Menéndez

S.B. No. 1997

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the authority of a property owner to enter into a
3 property tax loan if the property is already subject to a lien
4 securing such a loan.

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

6 SECTION 1. Section 32.06(a-8), Tax Code, is amended to read
7 as follows:

8 (a-8) A tax lien may not be transferred to the person who
9 pays the taxes on behalf of the property owner under the
10 authorization described by Subsection (a-1) if the real property:

11 (1) has been financed, wholly or partly, with a grant
12 or below market rate loan provided by a governmental program or
13 nonprofit organization and is subject to the covenants of the grant
14 or loan; ~~or~~

15 (2) is encumbered by a lien recorded under Subchapter
16 A, Chapter 214, Local Government Code; or

17 (3) is encumbered by a previously transferred tax
18 lien.

19 SECTION 2. The change in law made by this Act applies only
20 to an ad valorem tax lien transferred on or after the effective date
21 of this Act. An ad valorem tax lien transferred before the
22 effective date of this Act is governed by the law in effect on the
23 date the tax lien was transferred, and the former law is continued
24 in effect for that purpose.

1 SECTION 3. This Act takes effect September 1, 2015.