

AN ACT

relating to the eligibility of land to continue to be appraised for ad valorem tax purposes as qualified open-space land if the land begins to be used for oil and gas operations.

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

SECTION 1. Subchapter D, Chapter 23, Tax Code, is amended by adding Section 23.524 to read as follows:

Sec. 23.524. OIL AND GAS OPERATIONS ON LAND. The eligibility of land for appraisal under this subchapter does not end because a lessee under an oil and gas lease begins conducting oil and gas operations over which the Railroad Commission of Texas has jurisdiction on the land if the portion of the land on which oil and gas operations are not being conducted otherwise continues to qualify for appraisal under this subchapter.

SECTION 2. The change in law made by this Act does not affect an additional tax imposed as a result of a change of use of land appraised under Subchapter D, Chapter 23, Tax Code, that occurred before the effective date of this Act.

SECTION 3. This Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I certify that H.B. No. 3198 was passed by the House on May 9, 2017, by the following vote: Yeas 145, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3198 on May 24, 2017, by the following vote: Yeas 142, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3198 was passed by the Senate, with amendments, on May 22, 2017, by the following vote: Yeas 28, Nays 3.

Secretary of the Senate

APPROVED: _____

Date

Governor