

BILL ANALYSIS

C.S.H.B. 1409
By: Ashby
Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

There are concerns that certain considerations used by some appraisal districts in appraising land for timber production are ill advised and may result in the unfair assessment of the timber land's fair market value. C.S.H.B. 1409 seeks to provide protections against appraisal methods and procedures for timber land that could result in burdensome property taxes.

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

C.S.H.B. 1409 amends the Tax Code to prohibit a chief appraiser of an appraisal district, in determining whether land is currently and actively devoted principally to the production of timber or forest products to the degree of intensity generally accepted in an area or in determining whether land qualifies for appraisal as restricted-use timber land, from considering the purpose for which a portion of a parcel of land is used if the portion is used for the production of timber or forest products, including a road, right-of-way, buffer area, or firebreak, or subject to a right-of-way that was taken through the exercise of the power of eminent domain.

C.S.H.B. 1409 establishes that, for the purpose of appraisal of land as timber land or restricted-use timber land, a portion of the applicable parcel of land is considered land that qualifies for appraisal if the remainder of the parcel of land qualifies for appraisal. The bill establishes that the eligibility for appraisal of land as timber land or restricted-use timber land 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.

EFFECTIVE DATE

September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1409 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee

substitute versions of the bill.

The substitute does not include consideration on the basis of the land's use for a purpose associated with the production of timber or forest products in the condition under which a chief appraiser is prohibited from considering the purpose for which the land is used.