86R11528 JES-F

By:  Goodwin H.B. No. 2996

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility of land located in a residential subdivision for appraisal for ad valorem tax purposes as qualified open-space land.

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

SECTION 1.  Section 23.56, Tax Code, is amended to read as follows:

Sec. 23.56.  LAND INELIGIBLE FOR APPRAISAL AS OPEN-SPACE LAND. Land is not eligible for appraisal as provided by this subchapter if:

(1)  the land is located inside the corporate limits of an incorporated city or town, unless:

(A)  the city or town is not providing the land with governmental and proprietary services substantially equivalent in standard and scope to those services it provides in other parts of the city or town with similar topography, land utilization, and population density;

(B)  the land has been devoted principally to agricultural use continuously for the preceding five years; or

(C)  the land:

(i)  has been devoted principally to agricultural use or to production of timber or forest products continuously for the preceding five years; and

(ii)  is used for wildlife management;

(2)  the land is owned by an individual who is a nonresident alien or by a foreign government if that individual or government is required by federal law or by rule adopted pursuant to federal law to register his ownership or acquisition of that property; [~~or~~]

(3)  the land is owned by a corporation, partnership, trust, or other legal entity if the entity is required by federal law or by rule adopted pursuant to federal law to register its ownership or acquisition of that land and a nonresident alien or a foreign government or any combination of nonresident aliens and foreign governments own a majority interest in the entity; or

(4)  the land is located in a residential subdivision, as that term is defined in Section 209.002, Property Code.

SECTION 2.  This Act applies only to the appraisal of land for an ad valorem tax year beginning on or after the effective date of this Act.

SECTION 3.  This Act takes effect January 1, 2020.