

By: Rodriguez, Murphy

H.B. No. 97

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. Sections 23.51(1) and (2), Tax Code, are amended  
6 to read as follows:

7 (1) "Qualified open-space land" means land that is  
8 currently devoted principally to agricultural use to the degree of  
9 intensity generally accepted in the area and that has been devoted  
10 principally to agricultural use or to production of timber or  
11 forest products for five of the preceding seven years or land that  
12 is used principally as an ecological laboratory by a public or  
13 private college or university. A chief appraiser shall distinguish  
14 between the degree of intensity required for various agricultural  
15 production methods, including organic, sustainable, pastured  
16 poultry, rotational grazing, and other uncommon production methods  
17 or systems. Qualified open-space land includes all appurtenances  
18 to 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.

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

25           SECTION 2. Subchapter D, Chapter 23, Tax Code, is amended by  
26 adding Section 23.5215 to read as follows:

27           Sec. 23.5215. GUIDELINES FOR UNCOMMON AGRICULTURAL USES.

1 (a) The comptroller, in consultation with the Texas A&M AgriLife  
2 Extension Service, individuals selected by the comptroller who  
3 represent appraisal districts, and individuals selected by the  
4 comptroller who represent affected producers, shall develop  
5 guidelines for determining under what conditions the cumulative  
6 effect of multiple agricultural uses of a tract of land meets the  
7 degree of intensity generally accepted in the area.

8 (b) The comptroller, in consultation with the Texas A&M  
9 AgriLife Extension Service, individuals selected by the  
10 comptroller who represent appraisal districts, and individuals  
11 selected by the comptroller who represent small-scale producers,  
12 shall develop guidelines for determining under what conditions land  
13 under 10 acres in size used for the production of fruits,  
14 vegetables, poultry, hogs, sheep, or goats qualifies for appraisal  
15 under this subchapter. The guidelines must provide that land under  
16 10 acres in size that qualifies for appraisal under this subchapter  
17 solely on the basis of the guidelines developed under this section  
18 may not subsequently qualify under Section 23.51(7) for appraisal  
19 under this subchapter if the owner changes the use of the land to  
20 wildlife management.

21 (c) The guidelines developed under this section may include  
22 recordkeeping requirements consistent with normal practices of  
23 agricultural operations.

24 (d) The comptroller in developing guidelines under this  
25 section may consider the following factors:

26 (1) the financial investment of a producer in an  
27 agricultural use of a tract of land;

1           (2) the degree of active management of a producer in  
2 the agricultural use of a tract of land;

3           (3) the percentage of a tract of land used by a  
4 producer for agricultural uses; and

5           (4) any other factor the comptroller considers  
6 appropriate.

7           (e) The comptroller, in cooperation with appraisal  
8 districts, shall provide educational resources to chief appraisers  
9 to assist with the appraisal of land using the guidelines developed  
10 under this section and of land using an uncommon production method,  
11 such as organic production, sustainable production, and pastured  
12 poultry.

13           SECTION 3. Not later than September 1, 2020, the  
14 comptroller shall distribute the guidelines required by Section  
15 23.5215, Tax Code, as added by this Act, to each appraisal district.

16           SECTION 4. This Act applies only to the appraisal of land  
17 for ad valorem tax purposes for a tax year that begins on or after  
18 January 1, 2021.

19           SECTION 5. This Act takes effect September 1, 2019.