

By: Dutton

H.B. No. 3764

A BILL TO BE ENTITLED

AN ACT

relating to the period for redeeming the residence homestead of an elderly person sold at an ad valorem tax sale.

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

SECTION 1. Section 34.21, Tax Code, is amended by amending Subsections (a), (b), and (c) and adding Subsection (d-1) to read as follows:

(a) The owner of real property sold at a tax sale to a purchaser other than a taxing unit that was used as the residence homestead of the owner or that was land designated for agricultural use when the suit or the application for the warrant was filed, or the owner of a mineral interest sold at a tax sale to a purchaser other than a taxing unit, may redeem the property on or before the second anniversary of the date on which the purchaser's deed is filed for record, or on or before a later anniversary of that date as provided by Subsection (d-1), by paying the purchaser the amount the purchaser bid for the property, the amount of the deed recording fee, and the amount paid by the purchaser as taxes, penalties, interest, and costs on the property, plus a redemption premium of 25 percent of the aggregate total if the property is redeemed during the first year of the redemption period or 50 percent of the aggregate total if the property is redeemed during a subsequent [~~the second~~] year of the applicable redemption period.

(b) If property that was used as the owner's residence

1 homestead or was land designated for agricultural use when the suit  
2 or the application for the warrant was filed, or that is a mineral  
3 interest, is bid off to a taxing unit under Section 34.01(j) or (p)  
4 and has not been resold by the taxing unit, the owner having a right  
5 of redemption may redeem the property on or before the second  
6 anniversary of the date on which the deed of the taxing unit is  
7 filed for record, or on or before a later anniversary of that date  
8 as provided by Subsection (d-1), by paying the taxing unit:

9 (1) the lesser of the amount of the judgment against  
10 the property or the market value of the property as specified in  
11 that judgment, plus the amount of the fee for filing the taxing  
12 unit's deed and the amount spent by the taxing unit as costs on the  
13 property, if the property was judicially foreclosed and bid off to  
14 the taxing unit under Section 34.01(j); or

15 (2) the lesser of the amount of taxes, penalties,  
16 interest, and costs for which the warrant was issued or the market  
17 value of the property as specified in the warrant, plus the amount  
18 of the fee for filing the taxing unit's deed and the amount spent by  
19 the taxing unit as costs on the property, if the property was seized  
20 under Subchapter E, Chapter 33, and bid off to the taxing unit under  
21 Section 34.01(p).

22 (c) If real property that was used as the owner's residence  
23 homestead or was land designated for agricultural use when the suit  
24 or the application for the warrant was filed, or that is a mineral  
25 interest, has been resold by the taxing unit under Section 34.05,  
26 the owner of the property having a right of redemption may redeem  
27 the property on or before the second anniversary of the date on

1 which the taxing unit files for record the deed from the sheriff or  
2 constable, or on or before a later anniversary of that date as  
3 provided by Subsection (d-1), by paying the person who purchased  
4 the property from the taxing unit the amount the purchaser paid for  
5 the property, the amount of the fee for filing the purchaser's deed  
6 for record, and the amount paid by the purchaser as taxes,  
7 penalties, interest, and costs on the property, plus a redemption  
8 premium of 25 percent of the aggregate total if the property is  
9 redeemed in the first year of the redemption period or 50 percent of  
10 the aggregate total if the property is redeemed during a subsequent  
11 ~~[in the second]~~ year of the applicable redemption period.

12 (d-1) Notwithstanding the general redemption period  
13 prescribed by Subsection (a), (b), or (c), a person 65 years of age  
14 or older who was an owner of real property subject to a tax sale  
15 under Section 34.01 that was the owner's residence homestead when  
16 the suit or the application for the warrant was filed may redeem the  
17 property on or before the fourth anniversary of the date on which:

18 (1) the purchaser's deed is filed for record, if the  
19 property is redeemed under Subsection (a);

20 (2) the deed of the taxing unit is filed for record, if  
21 the property is redeemed under Subsection (b); or

22 (3) the taxing unit files for record the deed from the  
23 sheriff or constable, if the property is redeemed under Subsection  
24 (c).

25 SECTION 2. Section 33.06(c-1), Tax Code, is amended to read  
26 as follows:

27 (c-1) To obtain an abatement of a pending sale to foreclose

1 the tax lien, the individual must deliver an affidavit stating the  
2 facts required to be established by Subsection (a) to the chief  
3 appraiser of each appraisal district that appraises the property,  
4 the collector for the taxing unit that requested the order of sale  
5 or the attorney representing that unit for the collection of  
6 delinquent taxes, and the officer charged with selling the property  
7 not later than the fifth day before the date of the sale. After an  
8 affidavit is delivered under this subsection, the property may not  
9 be sold at a tax sale until the 181st day after the date the  
10 individual no longer owns and occupies the property as a residence  
11 homestead. If property is sold in violation of this section, the  
12 property owner may file a motion to set aside the sale under the  
13 same cause number and in the same court as a judgment reference in  
14 the order of sale. The motion must be filed during the applicable  
15 redemption period as set forth in Section [34.21\(a\)](#) or (d-1) or, if  
16 the property is bid off to a taxing entity, on or before the 180th  
17 day following the date the taxing unit's deed is filed of record,  
18 whichever is later. This right is not transferable to a third  
19 party.

20 SECTION 3. The change in law made by this Act applies only  
21 to the redemption of real property sold or bid off at a tax sale for  
22 which the deed from the sale or transfer is filed for record on or  
23 after the effective date of this Act. The redemption of real  
24 property sold or bid off at a tax sale for which the deed from the  
25 sale or transfer is filed for record before the effective date of  
26 this Act is governed by the law in effect when the deed is filed, and  
27 the former law is continued in effect for that purpose.

1           SECTION 4. This Act takes effect January 1, 2020, but only  
2 if the constitutional amendment proposed by the 86th Legislature,  
3 Regular Session, 2019, to lengthen the period for redeeming the  
4 residence homestead of a person 65 years of age or older sold at an  
5 ad valorem tax sale is approved by the voters. If that amendment is  
6 not approved by the voters, this Act has no effect.