

By: Hinojosa

S.B. No. 434

A BILL TO BE ENTITLED

AN ACT

relating to the effect of a sale of property on the tax lien on the property to secure the payment of ad valorem taxes, penalties, and interest imposed on the property as a result of the addition to the appraisal roll of property or appraised value that was erroneously exempted in a prior year.

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

SECTION 1. Section 11.43, Tax Code, is amended by adding Subsection (i-1) to read as follows:

(i-1) If the chief appraiser adds property or appraised value that was erroneously exempted in a prior year to the appraisal roll as required by Subsection (i), a tax lien may not be enforced against the property to secure the payment of any taxes, penalties, or interest imposed for that year on the property as a result of the addition of the property or appraised value if, at any time after January 1 of that year, the property was sold in an arm's-length transaction to a person who was not related to the seller within the first degree by consanguinity or affinity, as determined under Chapter 573, Government Code.

SECTION 2. This Act takes effect on the date on which the constitutional amendment proposed by the 86th Legislature, Regular Session, 2019, relating to the effect of a sale of property on the tax lien on the property to secure the payment of ad valorem taxes, penalties, and interest imposed on the property as a result of the

S.B. No. 434

1 addition to the appraisal roll of property or property value that
2 was erroneously exempted in a prior year is approved by the voters.
3 If that amendment is not approved by the voters, this Act has no
4 effect.