

By: Hancock

S.B. No. 474

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the eligibility of land secured by a home equity loan to
3 be designated for agricultural use for ad valorem tax purposes.

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

5 SECTION 1. Section 23.42(a), Tax Code, is amended to read as
6 follows:

7 (a) An [~~Except as provided by Subsection (a-1), an~~]
8 individual is entitled to have land he owns designated for
9 agricultural use if, on January 1:

10 (1) the land has been devoted exclusively to or
11 developed continuously for agriculture for the three years
12 preceding the current year;

13 (2) the individual is using and intends to use the land
14 for agriculture as an occupation or a business venture for profit
15 during the current year; and

16 (3) agriculture is the individual's primary occupation
17 and primary source of income.

18 SECTION 2. Section 23.42(a-1), Tax Code, is repealed.

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