

AN ACT

relating to the ad valorem taxation of heir property.

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

SECTION 1. Section 1.04, Tax Code, is amended by adding Subdivisions (20) and (21) to read as follows:

(20) "Heir property" means real property:

(A) owned by one or more individuals, at least one of whom claims the property as the individual's residence homestead; and

(B) acquired by the owner or owners by will, transfer on death deed, or intestacy, regardless of whether the interests of the owners are recorded in the real property records of the county in which the property is located.

(21) "Heir property owner" means an owner of heir property who claims the property as the individual's residence homestead.

SECTION 2. Chapter 5, Tax Code, is amended by adding Section 5.061 to read as follows:

Sec. 5.061. EXPLANATION OF INFORMATION RELATED TO HEIR PROPERTY. The comptroller shall prepare and electronically publish a pamphlet that provides information to assist heir property owners in applying for a residence homestead exemption authorized by Chapter 11. The pamphlet must include:

(1) a list of the residence homestead exemptions

1 authorized by Chapter 11;

2 (2) a description of the process for applying for an  
3 exemption as prescribed by Section 11.43;

4 (3) a description of the documents an owner is  
5 required by Section 11.43(o) to submit with an application to  
6 demonstrate the owner's ownership of an interest in heir property;

7 (4) contact information for the division of the State  
8 Bar of Texas from which a person may obtain a listing of individuals  
9 and organizations available to provide free or reduced-fee legal  
10 assistance; and

11 (5) a general description of the process by which an  
12 owner may record the owner's interest in heir property in the real  
13 property records of the county in which the property is located.

14 SECTION 3. Section 11.13(h), Tax Code, is amended to read as  
15 follows:

16 (h) Joint, community, or successive owners may not each  
17 receive the same exemption provided by or pursuant to this section  
18 for the same residence homestead in the same year. An eligible  
19 disabled person who is 65 or older may not receive both a disabled  
20 and an elderly residence homestead exemption but may choose either.  
21 A person may not receive an exemption under this section for more  
22 than one residence homestead in the same year. An heir property  
23 owner who qualifies heir property as the owner's residence  
24 homestead under this chapter is considered the sole recipient of  
25 any exemption granted to the owner for the residence homestead by or  
26 pursuant to this section.

27 SECTION 4. Section 11.26, Tax Code, is amended by adding

1 Subsection (p) to read as follows:

2 (p) An heir property owner who qualifies heir property as  
3 the owner's residence homestead under this chapter is considered  
4 the sole owner of the property for the purposes of this section.

5 SECTION 5. Section 11.261, Tax Code, is amended by adding  
6 Subsection (n) to read as follows:

7 (n) An heir property owner who qualifies heir property as  
8 the owner's residence homestead under this chapter is considered  
9 the sole owner of the property for the purposes of this section.

10 SECTION 6. Section 11.41, Tax Code, is amended by adding  
11 Subsection (c) to read as follows:

12 (c) An heir property owner who qualifies heir property as  
13 the owner's residence homestead under this chapter is considered  
14 the sole owner of the property for the purposes of this section.

15 SECTION 7. Section 11.43, Tax Code, is amended by amending  
16 Subsection (o) and adding Subsections (o-1) and (o-2) to read as  
17 follows:

18 (o) The application form for a residence homestead ~~[an]~~  
19 exemption ~~[authorized by Section 11.13]~~ must require an applicant  
20 ~~[for an exemption under Subsection (c) or (d) of that section]~~ who  
21 is not specifically identified on a deed or other appropriate  
22 instrument recorded in the ~~[applicable]~~ real property records of  
23 the county in which the property is located as an owner of the  
24 residence homestead, including an heir property owner, to provide:

25 (1) an affidavit ~~[or other compelling evidence]~~  
26 establishing the applicant's ownership of an interest in the  
27 property;

1           (2) a copy of the death certificate of the prior owner  
2 of the property, if the applicant is an heir property owner;

3           (3) a copy of the most recent utility bill for the  
4 property, if the applicant is an heir property owner; and

5           (4) a citation of any court record relating to the  
6 applicant's ownership of the property if available [~~homestead~~].

7           (o-1) The application form for a residence homestead  
8 exemption may not require an heir property owner to provide a copy  
9 of an instrument recorded in the real property records of the county  
10 in which the property is located.

11           (o-2) The application form for a residence homestead  
12 exemption must require:

13           (1) an applicant who is an heir property owner to state  
14 that the property for which the application is submitted is heir  
15 property; and

16           (2) each owner of an interest in heir property who  
17 occupies the property as the owner's principal residence, other  
18 than the applicant, to provide an affidavit that authorizes the  
19 submission of the application.

20           SECTION 8. Subchapter C, Chapter 11, Tax Code, is amended by  
21 adding Section 11.49 to read as follows:

22           Sec. 11.49. LEGAL TITLE NOT AFFECTED. (a) The grant or  
23 denial of an application by an heir property owner for a residence  
24 homestead exemption under this chapter does not affect the legal  
25 title of the property subject to the application and does not  
26 operate to transfer title to that property.

27           (b) An appraisal district, chief appraiser, appraisal

1 review board, or county assessor-collector may not be made a party  
2 to a proceeding to adjudicate ownership of property described by  
3 Subsection (a) except as prescribed by this title.

4 SECTION 9. Section 33.06, Tax Code, is amended by adding  
5 Subsection (h) to read as follows:

6 (h) An heir property owner who qualifies heir property as  
7 the owner's residence homestead under Chapter 11 is considered the  
8 sole owner of the property for the purposes of this section.

9 SECTION 10. Section 33.065, Tax Code, is amended by adding  
10 Subsection (j) to read as follows:

11 (j) An heir property owner who qualifies heir property as  
12 the owner's residence homestead under Chapter 11 is considered the  
13 sole owner of the property for the purposes of this section.

14 SECTION 11. Not later than January 1, 2020, the comptroller  
15 of public accounts shall make available the pamphlet required by  
16 Section 5.061, Tax Code, as added by this Act.

17 SECTION 12. The changes in law made by this Act apply only  
18 to an ad valorem tax year that begins on or after the effective date  
19 of this Act.

20 SECTION 13. This Act takes effect September 1, 2019.

S.B. No. 1943

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 1943 passed the Senate on May 2, 2019, by the following vote: Yeas 31, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 1943 passed the House on May 22, 2019, by the following vote: Yeas 142, Nays 2, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor