88R4103 MLH-D

By:  Cook H.B. No. 3970

A BILL TO BE ENTITLED

AN ACT

relating to the exemption from ad valorem taxation of mineral interests having a value of less than a certain amount.

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

SECTION 1.  Section 11.146, Tax Code, is amended to read as follows:

Sec. 11.146.  MINERAL INTEREST HAVING VALUE OF LESS THAN $5,000 [~~$500~~]. [~~(a)~~] A person is entitled to an exemption from taxation of each [~~a~~] mineral interest the person owns that [~~if the interest~~] has a taxable value of less than $5,000 [~~$500~~].

[~~(b)  The exemption provided by Subsection (a) applies to each separate taxing unit in which a person owns a mineral interest and, for the purposes of Subsection (a), all mineral interests in each taxing unit are aggregated to determine value.~~]

SECTION 2.  The change in law made by this Act applies only to a tax year beginning on or after January 1, 2024.

SECTION 3.  This Act takes effect January 1, 2024.