

SUBJECT: Ad valorem taxation of open-space land used for wildlife management

COMMITTEE: Ways and Means — favorable, without amendment

VOTE: 7 ayes — Craddick, Wolens, Finnell, Heflin, Holzheuser, Horn, Oliveira  
0 nays

4 absent — T. Hunter, Marchant, Place, Romo

WITNESSES: For — David K. Langford, Texas Wildlife Association;

Against — None

BACKGROUND: Texas Constitution Art. 8, sec. 1-d-1, requires the Legislature to provide for the appraisal of open space land used for farm or ranch purposes on the basis of its productive capacity, usually a much lower valuation than market value.

In 1991 the Legislature enacted HB 1298 by Berlanga, which amended the Tax Code to allow land used for wildlife management to be appraised as agricultural land. The definition of wildlife management is limited to land that was appraised as qualified open-space land on January 1, 1992.

The Tax Code also defines agricultural land to include land used for: crops; livestock; exotic animals used for food, fiber or other commercial products; floriculture; viticulture; horticulture; cover crops; and log and post production. It also applies to land that is idle due to crop and livestock rotation, government programs, and to agricultural improvements on adjacent open-space land with the same owner.

DIGEST: HJR 72 would amend Art. 8, sec. 1-d-1, Texas Constitution, to require the Legislature to allow for the taxation of land devoted to wildlife management based on its productive capacity.

The bill also would add to the Constitution a temporary provision retroactively validating the Tax Code provisions granting the agricultural use exemption to wildlife management areas. The temporary provision

would expire January 1, 1998. The temporary provision would specify that property owners would not be entitled to a tax refund unless the tax payment was properly challenged before the effective date of the amendment.

The proposal would be presented to voters at an election on November 5, 1996. The ballot proposal would read: "The constitutional amendment to allow open-space land used for wildlife management to qualify for tax appraisal in the same manner as open-space agricultural land and to permit the legislature to continue to limit that qualification to land that was eligible for appraisal as open-space agricultural land on January 1, 1992."

**NOTES:**

Also on today's calendar is HB 1358 by Alexander, which would eliminate the requirement that to qualify for wildlife management exemption land must have been appraised as open space land on January 2, 1992. The bill also would redefine wildlife management in other ways and establish a procedure for appraisal guidelines.