

SUBJECT: Maintaining agriculture tax rates on certain land under tick quarantine

COMMITTEE: Ways and Means — favorable, without amendment

VOTE: 10 ayes — Burrows, Guillen, Bohac, Cole, Martinez Fischer, Murphy,
Noble, Sanford, Shaheen, Wray

0 nays

1 absent — E. Rodriguez

WITNESSES: For — (*Registered, but did not testify*: Kaleb McLaurin, Texas and
Southwestern Cattle Raisers Association; Alexis Tatum, Travis County
Commissioners Court)

Against — None

On — Carolyn Beck, Texas Animal Health Commission

BACKGROUND: Tax Code ch. 23 governs the appraisal of land designated for agricultural
use. Under sec. 23.42, individuals are entitled to have land they own
designated for agricultural use if:

- the land has been devoted exclusively to or developed continuously for agriculture for the preceding three years;
- the individual is using and intends to use the land for agriculture as an occupation or a business venture for profit during the current year; and
- agriculture is the individual's primary occupation and source of income.

Land that ceases to be used for an agricultural purpose can lose eligibility to be appraised as agricultural land. Concerns have been raised that land designated or eligible for agricultural use and subject to agricultural tax rates can lose eligibility for such appraisal as a result of being included by the Texas Animal Health Commission in a temporary quarantine area for

tick eradication.

DIGEST:

HB 3348 would allow land entitled to be designated and appraised as agricultural land to keep its eligibility for such appraisal and designation if the land was temporarily unusable for agriculture due to a temporary quarantine established by the Texas Animal Health Commission for the control or eradication of ticks.

The bill would apply only to eligible land during the period beginning on the date the land was designated as a tick eradication area and ending on the date the land was released from quarantine.

In order to preserve quarantined land's eligibility for appraisal as agricultural land, the landowner would be required to notify in writing the chief appraiser for each appraisal district in which the land was located that the land was located in a tick eradication area. This notification would have to be sent within 30 days of the land being placed under quarantine. Within 30 days after the land was released from quarantine, the landowner would have to give written notice to each applicable appraiser that the land had been released.

The bill would not affect an additional tax imposed as a result of a change in land use that occurred before the effective date of the bill.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.