AN ACT

relating to tax liability for property omitted from an appraisal roll.

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

SECTION 1. Subsection (a), Section 31.01, Tax Code, is amended to read as follows:

(a) Except as provided by Subsection (f), the assessor for each taxing unit shall prepare and mail a tax bill to each person in whose name the property is listed on the tax roll and [or] to the person's authorized agent. The assessor shall mail tax bills by October 1 or as soon thereafter as practicable. The assessor shall mail to the state agency or institution the tax bill for any taxable property owned by the agency or institution. The agency or institution shall pay the taxes from funds appropriated for payment of the taxes or, if there are none, from funds appropriated for the administration of the agency or institution. The exterior of the tax bill must show the return address of the taxing unit and must contain, in all capital letters, the words "RETURN SERVICE REQUESTED," or another appropriate statement directing the United States Postal Service to return the tax bill if it is not deliverable as addressed.

SECTION 2. Subsection (b), Section 31.08, Tax Code, is amended to read as follows:

(b) Except as provided by Subsection (c) of this section, if
a person transfers property accompanied by a tax certificate that
erroneously indicates [showing] that no delinquent taxes,
penalties, or interest are due a taxing unit on the property or that
fails to include property because of its omission from an appraisal
roll as described under Section 25.21, the unit's tax lien on the
property is extinguished and the purchaser of the property is
absolved of liability to the unit for delinquent taxes, penalties,
or interest on the property or for taxes based on omitted property.
The person who was liable for the tax for the year the tax [it] was
imposed or the property was omitted remains personally liable for
the [delinquent] tax and for any[–] penalties or[–] and interest.

SECTION 3. Subsection (a), Section 32.07, Tax Code, is
amended to read as follows:

(a) Except as provided by Subsections (b) and (c) of this
section, property taxes are the personal obligation of the person
who owns or acquires the property on January 1 of the year for which
the tax is imposed or would have been imposed had property not been
omitted as described under Section 25.21. A person is not relieved
of the obligation because he no longer owns the property.

SECTION 4. (a) The change in law made by this Act to
Subsection (b), Section 31.08, Tax Code, applies only to a tax
certificate issued on or after the effective date of this Act. A
tax certificate issued before the effective date of this Act is
covered by the law in effect on the date of issuance, and that law is
continued in effect for that purpose.

(b) The change in law made by this Act to Subsection (a),
Section 32.07, Tax Code, applies only to omitted property added to
an appraisal roll after the effective date of this Act. Liability
for taxes based on the addition of omitted property to an appraisal
roll before the effective date of this Act is covered by the law in
effect on that date, and the former law is continued in effect for
that purpose.

SECTION 5. This Act takes effect September 1, 2005.

David Dewhurst
President of the Senate

Jim Calder
Speaker of the House

I hereby certify that S.B. No. 898 passed the Senate on
April 14, 2005, by the following vote: Yeas 31, Nays 0; and that
the Senate concurred in House amendment on May 23, 2005, by a
viva-voce vote.

Larry Dell
Secretary of the Senate

I hereby certify that S.B. No. 898 passed the House, with
amendment, on May 20, 2005, by a non-record vote.

Robert Hanvey
Chief Clerk of the House

Approved:

17 JUNE 05

Rick Perry
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
JUN 17 2005

Roger Williams
Secretary of State