

By: Watson

S.B. No. 1915

A BILL TO BE ENTITLED

AN ACT

relating to the provision of certain information by a seller of residential real property to a buyer of residential real estate.

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

SECTION 1. Subchapter A, Chapter 5, Property Code is amended by adding Section 5.208 to read as follows:

Sec. 5.208. TAX EXEMPTION INFORMATION FOR CERTAIN BUYERS.

(a) A seller of residential real property that consists of not more than one dwelling unit located in this state shall give to the purchaser of the property written notice that reads substantially similar to the following:

NOTICE OF RESIDENCE HOMESTEAD EXEMPTION

As a purchaser of this parcel of real property you may be eligible for certain residence homestead exemptions available under Subchapter B, Chapter 11, Tax Code.

(b) The seller shall provide to the purchaser a copy of any application form that may be used to apply for residence homestead exemptions with an appraisal district in which the property is included.

(c) The seller shall deliver the notice and application required under Subsection (a) and (b) to the purchaser before the effective date of an executory contract binding the purchaser to purchase the property. The notice and application may be given separately, as part of the contract during negotiations, or as part

1 of any other notice the seller delivers to the purchaser. If the
2 notice is included as part of the executory contract or another
3 notice, the title of the notice prescribed by this section, the
4 references to the street address and date in the notice, and the
5 purchaser's signature on the notice may be omitted.

6 (d) This section does not apply to the following transfers:

7 (1) under a court order or foreclosure sale;

8 (2) by a trustee in bankruptcy;

9 (3) to a mortgagee by a mortgagor or successor in
10 interest or to a beneficiary of a deed of trust by a trustor or
11 successor in interest;

12 (4) by a mortgagee or a beneficiary under a deed of
13 trust who has acquired the land at a sale under a deed of trust or a
14 sale under a court-ordered foreclosure or who has acquired the land
15 by a deed in lieu of foreclosure;

16 (5) by a fiduciary in the course of the administration
17 of a decedent's estate, guardianship, conservatorship, or trust;

18 (6) from one co-owner to another co-owner of an
19 undivided interest in the real property;

20 (7) to a spouse or a person in the lineal line of
21 consanguinity of the seller;

22 (8) to or from a governmental entity;

23 (9) of only a mineral interest, leasehold interest, or
24 security interest; or

25 (10) of a real property interest in a condominium.

26 (e) Failure to receive a notice required by this section
27 does not affect the validity of the appraisal of the property, the

1 imposition of any tax on the basis of the appraisal, the existence
2 of any tax lien, the deadline for filing an application for a
3 residence homestead exemption, or any proceeding instituted to
4 collect the tax.

5 SECTION 2. (a) The Texas Real Estate Commission shall
6 prescribe notice required by Section 5.208, Property Code, as added
7 by this Act, not later than December 1, 2015.

8 (b) Section 5.208, Property Code, as amended by this Act,
9 applies only to a transfer of property that occurs on or after
10 January 1, 2016. A transfer of property that occurs before that
11 date is governed by the law applicable to the transfer immediately
12 before that date, and the former law is continued in effect for that
13 purpose. For the purposes of this section, a transfer of property
14 occurs before the effective date of this Act if the contract binding
15 the purchaser to purchase the property is executed before that
16 date.

17 SECTION 3. This Act takes effect September 1, 2015.