

By: Bettencourt

S.B. No. 1981

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility of persons to participate in an ad
valorem tax sale of real property.

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

SECTION 1. Subchapter A, Chapter 34, Tax Code, is amended by
adding Section 34.011 to read as follows:

Sec. 34.011. PERSONS ELIGIBLE TO PURCHASE REAL PROPERTY.

(a) This section applies only to a sale of real property under
Section 34.01 conducted in:

(1) a county with a population of 250,000 or more; or

(2) a county with a population of less than 250,000 in
which the commissioners court by order has adopted the provisions
of this section.

(b) In this section:

(1) "Individual" does not include an individual acting
on behalf of a taxing unit.

(2) "Person" does not include a taxing unit or an
individual acting on behalf of a taxing unit.

(c) A county assessor-collector may require that, to be
eligible to bid at a sale of real property under Section 34.01, an
individual register as a bidder with the county assessor-collector
before the sale begins. The county assessor-collector may require
the individual:

(1) to provide valid proof of identification;

1 (2) to provide proof that the individual is authorized
2 to bid for another person, if the individual may submit a bid for
3 the other person at the sale; and

4 (3) to at least annually execute a statement on a form
5 provided by the county assessor-collector certifying that there are
6 no delinquent taxes owed to the county and no delinquent ad valorem
7 taxes owed to any taxing unit in the county by:

8 (A) the individual executing the certification;

9 (B) the person the individual may submit a bid
10 for at the sale, if applicable; and

11 (C) each entity at least 10 percent of the
12 ownership interest in which is owned by the person the individual
13 may submit a bid for at the sale, if applicable.

14 (d) The county assessor-collector shall issue a written
15 registration statement to an individual who registers as a bidder
16 under this section. An individual is ineligible to submit a bid at a
17 sale of real property under Section 34.01 unless the county
18 assessor-collector has issued a written registration statement to
19 the individual before the sale.

20 (e) An officer conducting a sale of real property under
21 Section 34.01 is not liable to any person if the officer sells real
22 property to an individual who has not complied with the
23 requirements of this section.

24 SECTION 2. Sections 34.0445(a), (c), and (e), Civil
25 Practice and Remedies Code, are amended to read as follows:

26 (a) An officer conducting a sale of real property under this
27 subchapter may not execute or deliver a deed to the purchaser of the

1 property unless the purchaser or the individual submitting the
2 successful bid for the purchaser exhibits to the officer an
3 unexpired written registration statement issued to the person in
4 the manner prescribed by Section 34.011 [34.015], Tax Code[~~7~~
5 ~~showing that the county assessor-collector of the county in which~~
6 ~~the sale is conducted has determined that:~~

7 ~~[(1) there are no delinquent ad valorem taxes owed by~~
8 ~~the person to that county; and~~

9 ~~[(2) for each school district or municipality having~~
10 ~~territory in the county there are no known or reported delinquent ad~~
11 ~~valorem taxes owed by the person to that school district or~~
12 ~~municipality].~~

13 (c) The deed executed by the officer conducting the sale
14 must name the purchaser [~~successful bidder~~] as the grantee and
15 recite that the purchaser or the individual submitting the
16 successful bid for the purchaser [~~successful bidder~~] exhibited to
17 that officer an unexpired written registration statement issued to
18 the person in the manner prescribed by Section 34.011 [34.015], Tax
19 Code[~~7~~ ~~showing that the county assessor-collector of the county in~~
20 ~~which the sale was conducted determined that:~~

21 ~~[(1) there are no delinquent ad valorem taxes owed by~~
22 ~~the person to that county; and~~

23 ~~[(2) for each school district or municipality having~~
24 ~~territory in the county there are no known or reported delinquent ad~~
25 ~~valorem taxes owed by the person to that school district or~~
26 ~~municipality].~~

27 SECTION 3. The following provisions are repealed:

1 (1) Section 34.0445(b), Civil Practice and Remedies
2 Code; and

3 (2) Section 34.015, Tax Code.

4 SECTION 4. The changes in law made by this Act apply only to
5 the sale of real property under Subchapter C, Chapter 34, Civil
6 Practice and Remedies Code, or Section 34.01, Tax Code, on or after
7 the effective date of this Act.

8 SECTION 5. This Act takes effect January 1, 2016.