

## **BILL ANALYSIS**

S.B. 1514  
By: Estes  
Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties note that oil and gas exploration and production is not included as a use for which land qualifies for appraisal as open-space land for property tax purposes and contend that this harms landowners who ordinarily have little, if any, say in whether facilities for oilfields are built or where they are located. S.B. 1514 seeks to provide for the eligibility of land to continue to be appraised for property tax purposes as qualified open-space land if the land begins to be used for oil and gas operations.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

S.B. 1514 amends the Tax Code to establish that the eligibility of land for appraisal as agricultural land does not end because a lessee under an oil and gas lease begins conducting oil and gas operations over which the Railroad Commission of Texas has jurisdiction on the land if the portion of the land on which oil and gas operations are not being conducted otherwise continues to qualify for appraisal as agricultural land.

### **EFFECTIVE DATE**

The date on which the constitutional amendment authorizing the legislature to provide that the eligibility of open-space land for property taxation on the basis of its productive capacity does not end because an oil and gas lessee begins conducting oil and gas operations on the land if the land otherwise continues to be devoted to farm, ranch, or wildlife management purposes or timber production is approved by the voters takes effect, if approved by the voters.