

BILL ANALYSIS

Senate Research Center

S.B. 1559
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Jurisprudence
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As Filed

DIGEST

Currently, liability of a tax foreclosure does not end when the property reverts to state ownership. Purchasers of tax foreclosure property receive sizable tax bills immediately after transactions are closed. S.B. 1559 would make it clear that the purchaser of a tax foreclosure property has clear title to the property, free of any previous tax debt.

PURPOSE

As proposed, S.B. 1559 provides that the purchaser of a tax foreclosure property has clear title to the property, free of any previous tax debt.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 32.112, Natural Resources Code, as follows:

Sec. 32.112. SALE OF TAX FORECLOSURE PROPERTY. Provides that real property or any interest in real property placed in the name of the state as a result of a tax lien, whether the property was sold, bid off, or otherwise transferred to the state, may be sold or leased free of any lien of certain taxing units. Sets forth the effects of a sale of property of the School Land Board (board). Provides that the board is not required to pay any portion of the proceeds to certain taxing units.

SECTION 2. Emergency clause.
Effective date: upon passage.