

Amend CSHB 7 on third reading in ARTICLE 19 of the bill by adding the following section to that article, appropriately numbered, and renumbering subsequent sections of that article accordingly:

SECTION 19.___. (a) Section 11.23, Tax Code, is amended by adding Subsection (j-1) to read as follows:

(j-1) Medical Center Development in Populous Counties. In a county described by Section 201.1055(1), Transportation Code, all real and personal property owned by a nonprofit corporation, as defined in the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes), and held for use in the development or operation of a medical center area or areas in which the nonprofit corporation has donated land for a state medical, dental, or nursing school, and for other hospital, medical, educational, or nonprofit uses and uses reasonably related thereto, or for governmental or public purposes, including the relief of traffic congestion, and not leased or otherwise used with a view to profit, is exempt from all ad valorem taxation as though the property were, during that time, owned and held by the state for health and educational purposes. In connection with the application or enforcement of a deed restriction or a covenant related to the property, a use or purpose described in this subsection shall also be considered to be a hospital, medical, or educational use, or a use that is reasonably related to a hospital, medical, or educational use.

(b) Section 11.43(c), Tax Code, as amended by Chapter 407, Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:

(c) An exemption provided by Section 11.13, 11.17, 11.18, 11.182, 11.183, 11.19, 11.20, 11.21, 11.22, 11.23(h), [ex] (j), or (j-1), 11.29, 11.30, or 11.31, once allowed, need not be claimed in subsequent years, and except as otherwise provided by Subsection (e), the exemption applies to the property until it changes ownership or the person's qualification for the exemption changes. However, the chief appraiser may require a person allowed one of the exemptions in a prior year to file a new application to confirm the person's current qualification for the exemption by delivering a

written notice that a new application is required, accompanied by an appropriate application form, to the person previously allowed the exemption.

(c) This section takes effect on the 91st day after the last day of the legislative session and applies only to the ad valorem taxation of property for a tax year that begins on or after January 1, 2004.