

1-1 By: Janek, Ellis S.B. No. 20  
1-2 (In the Senate-Filed September 23, 2003; September 23, 2003,  
1-3 read first time and referred to Committee on Administration;  
1-4 September 25, 2003, reported favorably by the following vote:  
1-5 Yeas 6, Nays 0; September 25, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to the exemption from ad valorem taxation of medical  
1-9 center development property in certain populous counties.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 11.23, Tax Code, is amended by adding  
1-12 Subsection (j-1) to read as follows:

1-13 (j-1) Medical Center Development in Populous Counties. In a  
1-14 county with a population of three million or more, all real and  
1-15 personal property owned by a nonprofit corporation, as defined in  
1-16 the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq.,  
1-17 Vernon's Texas Civil Statutes), and held for use in the development  
1-18 or operation of a medical center area or areas in which the  
1-19 nonprofit corporation has donated land for a state medical, dental,  
1-20 or nursing school, and for other hospital, medical, educational, or  
1-21 nonprofit uses and uses reasonably related thereto, or for  
1-22 governmental or public purposes, including the relief of traffic  
1-23 congestion, and not leased or otherwise used with a view to profit,  
1-24 is exempt from all ad valorem taxation as though the property were,  
1-25 during that time, owned and held by the state for health and  
1-26 educational purposes. In connection with the application or  
1-27 enforcement of a deed restriction or a covenant related to the  
1-28 property, a use or purpose described in this subsection shall also  
1-29 be considered to be a hospital, medical, or educational use, or a  
1-30 use that is reasonably related to a hospital, medical, or  
1-31 educational use.

1-32 SECTION 2. Subsection (c), Section 11.43, Tax Code, as  
1-33 amended by Chapter 407, Acts of the 78th Legislature, Regular  
1-34 Session, 2003, is amended to read as follows:

1-35 (c) An exemption provided by Section 11.13, 11.17, 11.18,  
1-36 11.182, 11.183, 11.19, 11.20, 11.21, 11.22, 11.23(h), ~~(j)~~, or  
1-37 (j-1), 11.29, 11.30, or 11.31, once allowed, need not be claimed in  
1-38 subsequent years, and except as otherwise provided by Subsection  
1-39 (e), the exemption applies to the property until it changes  
1-40 ownership or the person's qualification for the exemption changes.  
1-41 However, the chief appraiser may require a person allowed one of the  
1-42 exemptions in a prior year to file a new application to confirm the  
1-43 person's current qualification for the exemption by delivering a  
1-44 written notice that a new application is required, accompanied by  
1-45 an appropriate application form, to the person previously allowed  
1-46 the exemption.

1-47 SECTION 3. This Act takes effect on the 91st day after the  
1-48 last day of the legislative session and applies only to the ad  
1-49 valorem taxation of property for a tax year that begins on or after  
1-50 January 1, 2004.

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