

BILL ANALYSIS

Senate Research Center

C.S.S.B. 510

By: Staples

Finance

3/12/2003

Committee Report (Substituted)

DIGEST AND PURPOSE

During the 77th Legislative Session, the legislature created an exemption for travel trailers from ad valorem taxes except at the school district level. Upon adoption of the constitutional amendment in November 2001, it became apparent that what was thought to be an exemption was actually adding individuals to the tax roles. C.S.S.B. 510 repeals what was passed during the 77th Session and also authorizes the legislature to exempt from ad valorem taxation certain travel trailers not held or used for the production of income, if the accompanying constitutional amendment is approved by voters.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 11.14(a), Tax Code, to provide that this subsection does not exempt from taxation a structure that a person owns which is substantially affixed to real estate and is used or occupied as a residential dwelling. Deletes language which provides that a travel trailer is not exempt from taxation.

SECTION 2. Repealer: Section 11.142, Tax Code (Travel Trailers).

SECTION 3. Effective date: upon passage or September 1, 2003.

Makes application of this Act retroactive to taxes imposed for the tax year 2002 and thereafter.

SUMMARY OF COMMITTEE CHANGES

SECTION 1. Differs from the original version by adding new language relating to the taxation of a structure which is affixed to real estate and is used or occupied as a residential dwelling.

SECTION 2. No changes.

SECTION 3. Differs from the original by making this act effective upon passage by the Legislature or September 1, 2003, rather than January 1, 2004. Differs from the original by making application of this Act retroactive to taxes imposed for the tax year 2002 and thereafter, rather than being retroactive to January 1, 2004, but only if a certain constitutional amendment is approved by voters.