

BILL ANALYSIS

Senate Research Center

S.B. 1543
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Finance
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As Filed

DIGEST AND PURPOSE

Currently, property owned by the State of Texas or a political subdivision thereof is exempt from taxation if the property is used for public purposes. Use of public property by a religious organization does not fall within the definition of use for public purposes. As proposed, S.B. 1543 provides an exemption from taxation for property that is owned by the State of Texas or a political subdivision thereof but leased to a religious organization and used by a religious organization in a manner that would qualify the property as exempt from taxation if the property was owned by the religious organization.

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 11.20(d), Tax Code, to make a conforming change.

SECTION 2. Amends Section 11.20, Tax Code, by adding Subsection (h), to provide that property owned by the state or a political subdivision thereof, including any leasehold or other possessory interest held by a religious organization therein, is exempt from taxation if the property is used primarily as a place of regular religious worship and is reasonably necessary for engaging in religious worship or if the property would otherwise meet the requirements of Subdivision (A) and Subdivision (B) of Section 5 of this section if the property were owned by the religious organization.

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