

By: Chisum

H.B. No. 40

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the exemption of travel trailers from ad valorem
3 taxation.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 11.14(a), Tax Code, is amended to read as
6 follows:

7 (a) Except as otherwise provided by this subsection, a
8 person is entitled to an exemption from taxation of all tangible
9 personal property, other than manufactured homes, that the person
10 owns and that is not held or used for production of income. This
11 subsection does not apply to ~~[exempt from taxation]~~ a travel
12 trailer, as defined by Section 11.142, that a person owns.

13 SECTION 2. Section 11.142(b), Tax Code, is amended to read
14 as follows:

15 (b) A ~~[The governing body of a taxing unit, other than a~~
16 ~~school district, by official action of the body adopted in the~~
17 ~~manner required by law for official action may exempt from taxation~~
18 ~~a]~~ travel trailer that a person owns is exempt from taxation,
19 regardless of whether the travel trailer is real or personal
20 property, if:

21 (1) on January 1 of the applicable tax year, the travel
22 trailer is registered in this state in compliance with Chapter 502,
23 Transportation Code; and

24 (2) the travel trailer is not held or used for the

1 production of income.

2 SECTION 3. Section 11.43(c), Tax Code, is amended to read as
3 follows:

4 (c) An exemption provided by Section 11.13, 11.142, 11.17,
5 11.18, 11.182, 11.183, 11.19, 11.20, 11.21, 11.22, 11.23(j), 11.29,
6 11.30, or 11.31, once allowed, need not be claimed in subsequent
7 years, and except as otherwise provided by Subsection (e), the
8 exemption applies to the property until it changes ownership or the
9 person's qualification for the exemption changes. However, the
10 chief appraiser may require a person allowed one of the exemptions
11 in a prior year to file a new application to confirm the person's
12 current qualification for the exemption by delivering a written
13 notice that a new application is required, accompanied by an
14 appropriate application form, to the person previously allowed the
15 exemption.

16 SECTION 4. This Act takes effect January 1, 2004, and
17 applies only to ad valorem taxes imposed for a tax year that begins
18 on or after that date, but only if the constitutional amendment
19 proposed by the 78th Legislature, Regular Session, 2003,
20 authorizing the legislature to exempt from ad valorem taxation
21 travel trailers that are registered in this state and are not held
22 or used for the production of income is approved by the voters. If
23 that amendment is not approved by the voters, this Act has no
24 effect.