By: Hegar H.B. No. 2383

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility for exemption from ad valorem taxation of public property used for certain religious purposes.

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

SECTION 1. Section 11.20, Tax Code, is amended by amending Subsection (d) and adding Subsections (h) and (i) to read as follows:

(d) Use of property that qualifies for the exemption prescribed by Subsection (a)(1) [~~Subdivision (1)~~] or (2) or by Subsection (h)(1) [~~of Subsection (a) of this section~~] for occasional secular purposes other than religious worship does not result in loss of the exemption if the primary use of the property is for religious worship and all income from the other use is devoted exclusively to the maintenance and development of the property as a place of religious worship.

(h) Property owned by this state or a political subdivision of this state, including a leasehold or other possessory interest in the property, that is held or occupied by an organization that qualifies as a religious organization as provided by Subsection (c) is entitled to an exemption from taxation if the property:

(1) is used by the organization primarily as a place of regular religious worship and is reasonably necessary for engaging in religious worship; or

(2) meets the qualifications for an exemption under

Subsection (a)(5).

(i) For purposes of the exemption provided by Subsection (h), the religious organization may apply for the exemption and take other action relating to the exemption as if the organization owned the property.

SECTION 2. This Act takes effect January 1, 2004, and applies only to an ad valorem tax year that begins on or after that date.