

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**April 10, 2003**

**TO:** Honorable Fred Hill, Chair, House Committee on Local Government Ways and Means

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB1278** by Zedler (Relating to an exemption from ad valorem taxation for property owned by a religious organization for purposes of expanding a religious facility or constructing a new religious facility.), **Committee Report 1st House, As Amended**

**No significant fiscal implication to the State is anticipated.**

The bill would amend Section 11.20 of the Tax Code to exempt from property taxation property owned by a church or religious society that owned an actual place of worship, if the property were owned for the purpose of expanding an existing place of worship or constructing a new place of worship and the property yielded no revenue.

**Local Government Impact**

Passage of this bill could result in an undetermined amount of lost revenue to units of local government. The amount of loss would depend on the number of religious organizations qualifying for the expanded exemption and the market value of the subject properties that would be exempted under the proposed language.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JK, SD, WP, BR