

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 13, 2003

TO: Honorable Teel Bivins, Chair, Senate Committee on Finance

FROM: John Keel, Director, Legislative Budget Board

IN RE: HJR55 by Zedler (Proposing a constitutional amendment to authorize the legislature to exempt from ad valorem taxation property owned by a religious organization that is leased for use as a school or that is owned with the intent of expanding or constructing a religious facility.), **As Engrossed**

No fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$475,584.

The resolution would propose a constitutional amendment to the Texas Constitution to authorize the Legislature 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, constructing a new place of worship or were leased for use as a school as defined by Section 11.21, Tax Code, and the property yielded no revenue.

The constitutional amendment is to be submitted to the voters at an election held September 13, 2003. According to the Secretary of State, presenting one constitutional amendment on a ballot results in higher costs because economies of scales are lost. The estimated cost of \$475,584 would include \$314,062 for postage, \$50,872 for printing, \$110,500 for newspaper advertising, and \$150 for translation costs. According to the Secretary of State, these costs are similar to those experienced in November 2002 when one constitutional amendment was presented to voters.

The proposed amendment alone would have no fiscal impact on the state or units of local government except publication costs.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JK, SD, WP, BR