

By: Berman

H.B. No. 726

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the exemption from ad valorem taxation of property
3 owned by certain law enforcement officer associations.

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

5 SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by
6 adding Section 11.235 to read as follows:

7 Sec. 11.235. LAW ENFORCEMENT OFFICER ASSOCIATIONS. (a)
8 This section applies only to property located in a county with a
9 population of less than 250,000.

10 (b) An association that qualifies as a law enforcement
11 officer association is entitled to an exemption from taxation of
12 the real and tangible personal property that:

13 (1) is owned by the association; and

14 (2) except as provided by Subsection (c), is used
15 exclusively by qualified law enforcement officer associations.

16 (c) Use of exempt property owned by a person who is not
17 qualified as a law enforcement officer association under this
18 section does not result in the loss of an exemption authorized by
19 this section if the use is incidental to use of the property by
20 qualified law enforcement officer associations and is limited to
21 activities that benefit the beneficiaries or members of the
22 qualified law enforcement officer associations that own or use the
23 property.

24 (d) To qualify as a law enforcement officer association

1 under this section, an association must:

2 (1) be organized and operated primarily to engage in
3 one or both of the following functions:

4 (A) providing assistance with medical care costs
5 to peace officers and their families or dependents, including
6 surviving family members or dependents of deceased peace officers,
7 without regard to the beneficiaries' ability to pay; or

8 (B) providing support and relief to the
9 dependents, spouses, or children of peace officers, including
10 surviving dependents, spouses, or children of deceased peace
11 officers; and

12 (2) meet the requirements of a charitable organization
13 provided by Sections 11.18(e) and (f).

14 SECTION 2. Section 11.42(d), Tax Code, is amended to read as
15 follows:

16 (d) A person who acquires property after January 1 of a tax
17 year may receive an exemption authorized by Section 11.17, 11.18,
18 11.19, 11.20, 11.21, 11.23, 11.235, or 11.30 for the applicable
19 portion of that tax year immediately on qualification for the
20 exemption.

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

23 (c) An exemption provided by Section 11.13, 11.17, 11.18,
24 11.182, 11.183, 11.19, 11.20, 11.21, 11.22, 11.23(h), (j), or
25 (j-1), 11.235, 11.29, 11.30, or 11.31, once allowed, need not be
26 claimed in subsequent years, and except as otherwise provided by
27 Subsection (e), the exemption applies to the property until it

1 changes ownership or the person's qualification for the exemption
2 changes. However, the chief appraiser may require a person allowed
3 one of the exemptions in a prior year to file a new application to
4 confirm the person's current qualification for the exemption by
5 delivering a written notice that a new application is required,
6 accompanied by an appropriate application form, to the person
7 previously allowed the exemption.

8 SECTION 4. Subchapter C, Chapter 11, Tax Code, is amended by
9 adding Section 11.4351 to read as follows:

10 Sec. 11.4351. APPLICATION FOR LAW ENFORCEMENT OFFICER
11 ASSOCIATION EXEMPTION FOR PRIOR YEAR. (a) A law enforcement
12 officer association may apply for an exemption under Section 11.235
13 for a tax year after the 2000 tax year and before the 2006 tax year
14 at any time. The filing deadline provided by Section 11.43 does not
15 apply to an application filed under this section.

16 (b) The chief appraiser may not approve an application for
17 an exemption filed under this section if the taxes imposed on the
18 property for the year for which the exemption is claimed are paid
19 before the application is filed.

20 (c) If an application is approved under this section after
21 approval of the appraisal records for the year for which the
22 exemption is granted, the chief appraiser shall notify the
23 collector for each taxing unit in which the property was taxable in
24 the year for which the exemption is granted. The collector shall
25 deduct from the organization's tax bill the amount of tax imposed on
26 the property for that year if the tax has not been paid and any
27 unpaid penalties and accrued interest relating to that tax. The

1 collector may not refund taxes, penalties, or interest paid on the
2 property for which an exemption is granted under this section.

3 (d) The chief appraiser shall grant an exemption for
4 property pursuant to an application filed under this section if the
5 property would have qualified for the exemption in the tax year for
6 which the exemption is claimed under Section 11.235, Tax Code, as
7 that section existed on January 1, 2006, if that section had been in
8 effect in the tax year for which the exemption is claimed.

9 (e) Sections 11.43(c) and (e) do not apply to an application
10 filed under this section. A separate application must be filed for
11 each tax year under this section.

12 (f) This section expires January 1, 2008.

13 SECTION 5. This Act applies to taxes imposed for a tax year
14 that begins on or after January 1, 2001.

15 SECTION 6. This Act takes effect January 1, 2006, but only
16 if the constitutional amendment proposed by the 79th Legislature,
17 Regular Session, 2005, authorizing the legislature to exempt from
18 ad valorem taxation property owned by certain nonprofit law
19 enforcement officer associations is approved by the voters. If
20 that amendment is not approved by the voters, this Act has no
21 effect.