

By: Miller

H.B. No. 1950

A BILL TO BE ENTITLED

AN ACT

1
2 Relating to a rural rail transportation district and taxation of a
3 leasehold or other possessory interest.

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

5 SECTION 1. (a) Section 25.07(b), Tax Code, is amended to
6 read as follows:

7 (b) Except as provided by Sections 11.11(b) [~~Subsections~~
8 ~~(b)~~] and (c) [of Section 11.11 of this code], a leasehold or other
9 possessory interest in exempt property may not be listed if:

10 (1) the property is permanent university fund land;

11 (2) the property is county public school fund
12 agricultural land;

13 (3) the property is a part of a public transportation
14 facility owned by an incorporated city or town and:

15 (A) is an airport passenger terminal building or
16 a building used primarily for maintenance of aircraft or other
17 aircraft services, for aircraft equipment storage, or for air
18 cargo;

19 (B) is an airport fueling system facility;

20 (C) is in a foreign-trade zone:

21 (i) that has been granted to a joint airport
22 board under Chapter 129, Acts of the 65th Legislature, Regular
23 Session, 1977 (Article 1446.8, Vernon's Texas Civil Statutes);

24 (ii) the area of which in the portion of the

1 zone located in the airport operated by the joint airport board does
2 not exceed 2,500 acres; and

3 (iii) that is established and operating
4 pursuant to federal law; or

5 (D)(i) is in a foreign trade zone established
6 pursuant to federal law after June 1, 1991, which operates pursuant
7 to federal law;

8 (ii) is contiguous to or has access via a
9 taxiway to an airport located in two counties, one of which has a
10 population of 500,000 or more according to the federal decennial
11 census most recently preceding the establishment of the foreign
12 trade zone; and

13 (iii) is owned, directly or through a
14 corporation organized under the Development Corporation Act of 1979
15 (Article 5190.6, Vernon's Texas Civil Statutes), by the same
16 incorporated city or town which owns the airport;

17 (4) the interest is in a part of:

18 (A) a park, market, fairground, or similar public
19 facility that is owned by an incorporated city or town; or

20 (B) a convention center, visitor center, sports
21 facility with permanent seating, concert hall, arena, or stadium
22 that is owned by an incorporated city or town as such leasehold or
23 possessory interest serves a governmental, municipal, or public
24 purpose or function when the facility is open to the public,
25 regardless of whether a fee is charged for admission;

26 (5) the interest involves only the right to use the
27 property for grazing or other agricultural purposes;

1 (6) the property is owned by the Texas National
2 Research Laboratory Commission or by a corporation formed by the
3 Texas National Research Laboratory Commission under Section
4 465.008(g), Government Code, and is used or is useful in connection
5 with an eligible undertaking as defined by Section 465.021,
6 Government Code; ~~or~~

7 (7) the property is:

8 (A) owned by a municipality, a public port, or a
9 navigation district created or operating under Section 59, Article
10 XVI, Texas Constitution, or under a statute enacted under Section
11 59, Article XVI, Texas Constitution; and

12 (B) used as an aid or facility incidental to or
13 useful in the operation or development of a port or waterway or in
14 aid of navigation-related commerce; or

15 (8) the property is part of a rail facility owned by a
16 rural rail transportation district created or operating under
17 Chapter 623, Acts of the 67th Legislature, Regular Session, 1981
18 (Article 6550c, Vernon's Texas Civil Statutes).

19 (b) Subsection (a) of this section takes effect January 1,
20 2005 and applies only to an advalorem tax roll for a tax year that
21 begins on or after that date.