

By: Carona

S.B. No. 360

A BILL TO BE ENTITLED

AN ACT

relating to the exemption from ad valorem taxation by certain counties of the property of organizations engaged primarily in performing charitable functions.

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

SECTION 1. Section 11.184, Tax Code, is amended by adding Subsection (b-1) and amending Subsection (c) to read as follows:

(b-1) This subsection applies only in a county having a population of more than 2.2 million in which the most populous municipality has a population of less than 1.5 million. Notwithstanding Subsection (b), a qualified charitable organization is entitled to an exemption from taxation by the county of property described by Subsection (c).

(c) If approved under Subsection (b) or if Subsection (b-1) applies, a qualified charitable organization is entitled to an exemption from taxation of:

(1) the buildings and other real property and the tangible personal property that:

(A) are owned by the organization; and

(B) except as permitted by Subsection (d), are used exclusively by the organization and other organizations eligible for an exemption from taxation under this section or Section 11.18; and

(2) the real property owned by the organization

1 consisting of:

2 (A) an incomplete improvement that:

3 (i) is under active construction or other
4 physical preparation; and

5 (ii) is designed and intended to be used
6 exclusively by the organization and other organizations eligible
7 for an exemption from taxation under this section or Section 11.18;
8 and

9 (B) the land on which the incomplete improvement
10 is located that will be reasonably necessary for the use of the
11 improvement by the organization and other organizations eligible
12 for an exemption from taxation under this section or Section 11.18.

13 SECTION 2. This Act applies only to taxes imposed for a tax
14 year beginning on or after the effective date of this Act.

15 SECTION 3. This Act takes effect January 1, 2006.