

1-1 By: Barrientos S.B. No. 1020  
1-2 (In the Senate - Filed March 7, 2005; March 14, 2005, read  
1-3 first time and referred to Committee on Finance; May 11, 2005,  
1-4 reported adversely, with favorable Committee Substitute by the  
1-5 following vote: Yeas 10, Nays 0; May 11, 2005, sent to printer.)

1-6 COMMITTEE SUBSTITUTE FOR S.B. No. 1020 By: Barrientos

1-7 A BILL TO BE ENTITLED  
1-8 AN ACT

1-9 relating to the exemption from ad valorem taxation of certain  
1-10 property used by a charitable organization operating a radio  
1-11 station that is funded through donations.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subsection (d), Section 11.18, Tax Code, is  
1-14 amended to read as follows:

1-15 (d) A charitable organization must be organized exclusively  
1-16 to perform religious, charitable, scientific, literary, or  
1-17 educational purposes and, except as permitted by Subsections (h)  
1-18 and (l), engage exclusively in performing one or more of the  
1-19 following charitable functions:

1-20 (1) providing medical care without regard to the  
1-21 beneficiaries' ability to pay, which in the case of a nonprofit  
1-22 hospital or hospital system means providing charity care and  
1-23 community benefits in accordance with Section 11.1801;

1-24 (2) providing support or relief to orphans,  
1-25 delinquent, dependent, or handicapped children in need of  
1-26 residential care, abused or battered spouses or children in need of  
1-27 temporary shelter, the impoverished, or victims of natural disaster  
1-28 without regard to the beneficiaries' ability to pay;

1-29 (3) providing support to elderly persons, including  
1-30 the provision of recreational or social activities and facilities  
1-31 designed to address the special needs of elderly persons, or to the  
1-32 handicapped, without regard to the beneficiaries' ability to pay;

1-33 (4) preserving a historical landmark or site;

1-34 (5) promoting or operating a museum, zoo, library,  
1-35 theater of the dramatic or performing arts, or symphony orchestra  
1-36 or choir;

1-37 (6) promoting or providing humane treatment of  
1-38 animals;

1-39 (7) acquiring, storing, transporting, selling, or  
1-40 distributing water for public use;

1-41 (8) answering fire alarms and extinguishing fires with  
1-42 no compensation or only nominal compensation to the members of the  
1-43 organization;

1-44 (9) promoting the athletic development of boys or  
1-45 girls under the age of 18 years;

1-46 (10) preserving or conserving wildlife;

1-47 (11) promoting educational development through loans  
1-48 or scholarships to students;

1-49 (12) providing halfway house services pursuant to a  
1-50 certification as a halfway house by the pardons and paroles  
1-51 division of the Texas Department of Criminal Justice;

1-52 (13) providing permanent housing and related social,  
1-53 health care, and educational facilities for persons who are 62  
1-54 years of age or older without regard to the residents' ability to  
1-55 pay;

1-56 (14) promoting or operating an art gallery, museum, or  
1-57 collection, in a permanent location or on tour, that is open to the  
1-58 public;

1-59 (15) providing for the organized solicitation and  
1-60 collection for distributions through gifts, grants, and agreements  
1-61 to nonprofit charitable, education, religious, and youth  
1-62 organizations that provide direct human, health, and welfare  
1-63 services;

2-1 (16) performing biomedical or scientific research or  
2-2 biomedical or scientific education for the benefit of the public;

2-3 (17) operating a television station that produces or  
2-4 broadcasts educational, cultural, or other public interest  
2-5 programming and that receives grants from the Corporation for  
2-6 Public Broadcasting under 47 U.S.C. Section 396, as amended;

2-7 (18) providing housing for low-income and  
2-8 moderate-income families, for unmarried individuals 62 years of age  
2-9 or older, for handicapped individuals, and for families displaced  
2-10 by urban renewal, through the use of trust assets that are  
2-11 irrevocably and, pursuant to a contract entered into before  
2-12 December 31, 1972, contractually dedicated on the sale or  
2-13 disposition of the housing to a charitable organization that  
2-14 performs charitable functions described by Subdivision (9);

2-15 (19) providing housing and related services to persons  
2-16 who are 62 years of age or older in a retirement community, if the  
2-17 retirement community provides independent living services,  
2-18 assisted living services, and nursing services to its residents on  
2-19 a single campus:

2-20 (A) without regard to the residents' ability to  
2-21 pay; or

2-22 (B) in which at least four percent of the  
2-23 retirement community's combined net resident revenue is provided in  
2-24 charitable care to its residents; ~~[or]~~

2-25 (20) providing housing on a cooperative basis to  
2-26 students of an institution of higher education if:

2-27 (A) the organization is exempt from federal  
2-28 income taxation under Section 501(a), Internal Revenue Code of  
2-29 1986, as amended, by being listed as an exempt entity under Section  
2-30 501(c)(3) of that code;

2-31 (B) membership in the organization is open to all  
2-32 students enrolled in the institution and is not limited to those  
2-33 chosen by current members of the organization;

2-34 (C) the organization is governed by its members;  
2-35 and

2-36 (D) the members of the organization share the  
2-37 responsibility for managing the housing; or

2-38 (21) operating a radio station that broadcasts  
2-39 educational, cultural, or other public interest programming,  
2-40 including classical music, and that is funded entirely through  
2-41 donations made by listeners or other donors.

2-42 SECTION 2. This Act applies only to an ad valorem tax year  
2-43 that begins on or after the effective date of this Act.

2-44 SECTION 3. This Act takes effect January 1, 2006.

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