

By: Lucio

S.B. No. 1411

A BILL TO BE ENTITLED

1 AN ACT

2 relating to eligibility for an exemption from ad valorem taxation
3 for property owned for the purpose of providing low-income or
4 moderate-income housing.

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

6 SECTION 1. Section 11.182, Tax Code, is amended by adding
7 Subsections (b-1), (b-2), and (h-1) to read as follows:

8 (b-1) Notwithstanding Subsection (b), an owner of property
9 is entitled to an exemption from taxation of the property under this
10 section if the property otherwise qualifies for the exemption and
11 the owner is a limited partnership of which an organization that
12 meets the requirements of Subsection (b) controls 100 percent of
13 the general partner interest.

14 (b-2) An owner that otherwise qualifies for an exemption
15 from taxation of property under this section is entitled to the
16 exemption even if the organization leases the property to a limited
17 partnership, provided that the organization controls 100 percent of
18 the general partner interest in the partnership.

19 (h-1) Notwithstanding any other provision of this section,
20 an owner is entitled to an exemption from taxation of property under
21 this section by each taxing unit in which the property is located
22 if:

23 (1) before January 1, 2004, the owner entered into an
24 agreement for the benefit of any taxing unit in which the property

1 is located to:

2 (A) make payments in lieu of taxes on the
3 property to the taxing unit; and

4 (B) use the property for the purpose described by
5 Subsection (b)(3) or (f); and

6 (2) the owner is in compliance with the agreement in
7 the current tax year, as described by the taxing unit that is a
8 party to the agreement.

9 SECTION 2. (a) This Act applies only to taxes imposed for a
10 tax year beginning on or after January 1, 2002.

11 (b) This Act applies only to a protest or appeal that is
12 pending on the effective date of this Act or is filed on or after the
13 effective date of this Act.

14 SECTION 3. This Act takes effect immediately if it receives
15 a vote of two-thirds of all the members elected to each house, as
16 provided by Section 39, Article III, Texas Constitution. If this
17 Act does not receive the vote necessary for immediate effect, this
18 Act takes effect September 1, 2005.