

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**May 9, 2005**

**TO:** Honorable Steve Ogden, Chair, Senate Committee on Finance

**FROM:** John S. O'Brien, Deputy Director, Legislative Budget Board

**IN RE: SB1020** by Barrientos (Relating to the exemption from ad valorem taxation of certain property used by a charitable organization operating a listener-supported radio station.), **As Introduced**

The bill would exempt from property taxation property owned by an organization "operating a listener-supported radio station that broadcasts educational, cultural, or other public interest programming, including classical music."

Passage of the bill would result in a reduction in taxable property values and increase the related costs to the Foundation School Fund.

In 1983, Atty. Gen. Op. No. JM-41 ruled that a non-profit public interest radio station could not qualify for a property tax exemption under Section 11.18 of the Tax Code because its activities were not among those listed in Section 11.18.

Section 403.302 of the Government Code requires the Comptroller to conduct a property value study to determine the total taxable value for each school district. Total taxable value is an element in the state's school funding formula. Passage of this bill would cause a change in school district taxable values reported to the Commissioner of Education by the Comptroller.

**Local Government Impact**

Passage of the bill would result in a reduction in taxable property values and the related ad valorem tax revenue to units of local government.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JOB, SD, WP, DLBe