

Amend SB 426 (house committee printing) as follows:

(1) In the recital to SECTION 1 of the bill (page 1, line 8), strike "Subsection (j)" and substitute "Subsections (e), (h), and (j)".

(2) In SECTION 1 of the bill, between the recital to the section and amended Section 11.182(j), Tax Code (page 1, between lines 8 and 9), insert the following:

(e) Notwithstanding ~~[In addition to meeting the applicable requirements of]~~ Subsections (b), ~~[and]~~ (c), and (j), an organization is entitled to ~~[receive]~~ an exemption under Subsection (b) for improved real property that the organization owns or controls and that is ~~[includes a housing project constructed after December 31, 2001, and]~~ financed with qualified 501(c)(3) bonds issued under Section 145 of the Internal Revenue Code of 1986, tax-exempt private activity bonds subject to volume cap, or low-income housing tax credits if ~~[7]~~ the organization ~~[must]~~:

(1) meets the requirements of Subsections (b)(1) and (2);

(2) owns or controls ~~[control]~~ 100 percent of the interest in:

(A) the general partner of the ~~[if the project is owned by a]~~ limited partnership that owns the property, if applicable; or

(B) the entity that owns the property;

(3) complies ~~[(2) comply]~~ with all rules of and laws administered by the Texas Department of Housing and Community Affairs applicable to community housing development organizations; ~~[and]~~

(4) submits ~~[(3) submit]~~ annually to the Texas Department of Housing and Community Affairs and to the governing body of each taxing unit for which the project receives an exemption for the housing project evidence demonstrating that the organization spent an amount equal to at least 90 percent of the project's cash flow in the preceding fiscal year as determined by the audit required by Subsection (g), for eligible persons in the county in which the property is located, on social, educational, or economic development services, capital improvement projects, or

rent reduction; and

(5) applied for an exemption under this section for the property before January 1, 2004.

(h) Subsections (d) and (e)(4) [~~(e)(3)~~] do not apply to property owned by an organization if:

(1) the entity that provided the financing for the acquisition or construction of the property:

(A) requires the organization to make payments in lieu of taxes to the school district in which the property is located; or

(B) restricts the amount of rent the organization may charge for dwelling units on the property; or

(2) the organization has entered into an agreement with each taxing unit for which the property receives an exemption to spend in each tax year for the purposes provided by Subsection (d) or (e)(4) [~~(e)(3)~~] an amount equal to the total amount of taxes imposed on the property in the tax year preceding the year in which the organization acquired the property.