

BILL ANALYSIS

H.B. 316
By: Miller
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, the property, material purchases, revenues, and income of a rural railroad district and the interest on bonds and notes issued by a district are exempt from all taxes levied by the state or a political subdivision of the state. (Art. 6550c, Sec. 7, Texas Civil Statutes). The purpose of House Bill 316 is to include this exemption in Section 25.07(b), Tax Code, for clarification of existing statute.

HB 316 provides that a leasehold or other possessory interest in exempt property that is part of a rail facility owned by a rural rail transportation district could not be listed in the appraisal records as taxable property.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

HB 316 replaces the term "an incorporated city or town" with the term "municipality" for uniformity and clarification.

The bill provides that a leasehold or other possessory interest in exempt property that is part of a rail facility owned by a rural rail transportation district cannot be listed in the appraisal records as taxable property.

The bill applies only to the appraisal records for a tax year that begins on or after January 1, 2008.

This bill takes effect January 1, 2008.

EFFECTIVE DATE

This Act takes effect January 1, 2008.