

BILL ANALYSIS

H.B. 1868
By: Naishtat
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

KMFA is a local radio station in Austin that broadcasts classical music and serves as a local portal for information on the symphonic and performing arts.

Although it is registered as a 501(c)(3) charitable organization and serves a similar function as local public television and/or performing arts organizations, it is not afforded the same property tax exemption as those organizations enjoy under current law.

HB 1868 would extend an exemption from ad valorem taxes to a radio station that broadcasts, educational, cultural or other public interest programming, including classical music and that in the preceding five years has received or been selected to receive one or more grants from the Corporation for Public Broadcasting.

The bill, therefore, only affects one radio station, KMFA in Austin. There is no opposition from the City of Austin, which estimates the loss of revenue to the city to be minimal.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

ANALYSIS

Section 1. Amends Section 11.18(d), Tax Code, by adding Subsection 21 extending ad valorem tax exemption to a radio station that broadcasts, educational, cultural, or other public interest programming, including classical music, and that in the preceding five years has received or been selected to receive one or more grants or similar funding from the Corporation for Public Broadcasting under 47 U.S.C. Section 396, as amended.

Section 2. Provides that this Act applies only to an ad valorem tax year that begins on or after the effective date of the Act.

Section 3. The act takes effective January 1, 2008.

EFFECTIVE DATE

The act takes effective January 1, 2008