

BILL ANALYSIS

H.B. 3191
By: Hill
Local Government Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The 75th Legislature created a 100 percent property tax exemption for community based non-profit organizations providing single-family and multi-family affordable housing to low-income families. The 78th Legislature reduced the exemption to 50% in response to perceived abuses of the exemption in regards to multifamily developments. The 78th Legislature also no longer required taxing jurisdictions in counties with a population of 1.4 million or more to provide the exemption. The reduction in the exemption impacted single-family developments as well even though no abuse of the exemption has been found involving single family developments.

The purpose of this bill is to restore the affordable housing tax exemption back to 100% for non-profit organizations providing single family affordable housing for homeownership. The bill eliminates the provisions allowing counties with a population of 1.4 million or more from providing the tax exemption making tax treatment the same in all 254 counties.

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

H.B. 3191 provides the tax exemption authorized under section 11.1825 for non-profit organizations providing affordable housing to low-income families. The bill requires all counties to provide the property tax exemption for affordable single family homes.

EFFECTIVE DATE

This Act takes effect January 1, 2008.