

BILL ANALYSIS

Senate Research Center
80R1859 JPL-D

S.B. 1746
By: Eltife
S/C on Base Realignment and Closure
4/3/2007
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Red River Redevelopment Authority was created in response to the closure of part of the Red River Army Depot. Due to the recent federal base realignment and closure, the Lone Star ammunition plant was closed, and approximately 15,000 acres are now available for redevelopment. This land is located in Bowie County, which, due to its location in the far northeastern corner of Texas, must compete with Oklahoma, Arkansas, and Louisiana to attract industry and aid in development within the county. The authority to offer abatement of school property taxes would assist in such competition, but under current law, a school district is prohibited from entering into a full tax abatement agreement with a property owner.

As proposed, S.B. 1746 provides a school district the authority to enter into a tax abatement agreement if the property subject to the proposed agreement was part of a military base or other military facility that was realigned or closed and was exempt from property taxation while it was owned by the person from whom the current owner acquired it.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 312.002, Tax Code, by amending Subsections (f) and (g) and adding Subsection (h), as follows:

- (f) Makes a conforming change.
- (g) Deletes text excepting a school district from the definition of "taxing unit."
- (h) Provides that a school district has the same authority to enter into a tax abatement agreement under this chapter (Property Redevelopment and Tax Abatement Act) as a taxing unit other than a municipality or county if the property that is the subject of the proposed agreement was part of a military base or other military facility that was realigned or closed and was exempt from property taxation while it was owned by the person from whom the current owner acquired it.

SECTION 2. Amends Section 403.302(d), Government Code, to make conforming and nonsubstantive changes to the definition of "taxable value."

SECTION 3. Effective date: upon passage or September 1, 2007.