

1-1 By: Miller (Senate Sponsor - Fraser) H.B. No. 316
1-2 (In the Senate - Received from the House March 14, 2007;
1-3 April 3, 2007, read first time and referred to Committee on
1-4 Finance; May 19, 2007, reported favorably by the following vote:
1-5 Yeas 11, Nays 0; May 19, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the ad valorem taxation of certain property that is part
1-9 of certain public transportation facilities or part of certain rail
1-10 facilities.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Section 25.07(b), Tax Code, is amended to read as
1-13 follows:

1-14 (b) Except as provided by Sections 11.11(b) [~~Subsections~~
1-15 ~~(b)~~] and (c) [~~of Section 11.11 of this code~~], a leasehold or other
1-16 possessory interest in exempt property may not be listed if:

1-17 (1) the property is permanent university fund land;

1-18 (2) the property is county public school fund
1-19 agricultural land;

1-20 (3) the property is a part of a public transportation
1-21 facility owned by a municipality or county [~~an incorporated city or~~
1-22 ~~town~~] and:

1-23 (A) is an airport passenger terminal building or
1-24 a building used primarily for maintenance of aircraft or other
1-25 aircraft services, for aircraft equipment storage, or for air
1-26 cargo;

1-27 (B) is an airport fueling system facility;

1-28 (C) is in a foreign-trade zone:

1-29 (i) that has been granted to a joint airport
1-30 board under Chapter 129, Acts of the 65th Legislature, Regular
1-31 Session, 1977 (Article 1446.8, Vernon's Texas Civil Statutes);

1-32 (ii) the area of which in the portion of the
1-33 zone located in the airport operated by the joint airport board does
1-34 not exceed 2,500 acres; and

1-35 (iii) that is established and operating
1-36 pursuant to federal law; or

1-37 (D)(i) is in a foreign trade zone established
1-38 pursuant to federal law after June 1, 1991, which operates pursuant
1-39 to federal law;

1-40 (ii) is contiguous to or has access via a
1-41 taxiway to an airport located in two counties, one of which has a
1-42 population of 500,000 or more according to the federal decennial
1-43 census most recently preceding the establishment of the foreign
1-44 trade zone; and

1-45 (iii) is owned, directly or through a
1-46 corporation organized under the Development Corporation Act of 1979
1-47 (Article 5190.6, Vernon's Texas Civil Statutes), by the same
1-48 municipality [~~incorporated city or town~~] which owns the airport;

1-49 (4) the interest is in a part of:

1-50 (A) a park, market, fairground, or similar public
1-51 facility that is owned by a municipality [~~an incorporated city or~~
1-52 ~~town~~]; or

1-53 (B) a convention center, visitor center, sports
1-54 facility with permanent seating, concert hall, arena, or stadium
1-55 that is owned by a municipality [~~an incorporated city or town~~] as
1-56 such leasehold or possessory interest serves a governmental,
1-57 municipal, or public purpose or function when the facility is open
1-58 to the public, regardless of whether a fee is charged for admission;

1-59 (5) the interest involves only the right to use the
1-60 property for grazing or other agricultural purposes;

1-61 (6) the property is owned by the Texas National
1-62 Research Laboratory Commission or by a corporation formed by the
1-63 Texas National Research Laboratory Commission under Section
1-64 465.008(g), Government Code, and is used or is useful in connection

2-1 with an eligible undertaking as defined by Section 465.021,
2-2 Government Code; [~~or~~]

2-3 (7) the property is:

2-4 (A) owned by a municipality, a public port, or a
2-5 navigation district created or operating under Section 59, Article
2-6 XVI, Texas Constitution, or under a statute enacted under Section
2-7 59, Article XVI, Texas Constitution; and

2-8 (B) used as an aid or facility incidental to or
2-9 useful in the operation or development of a port or waterway or in
2-10 aid of navigation-related commerce; or

2-11 (8) the property is part of a rail facility owned by a
2-12 rural rail transportation district created or operating under
2-13 Chapter 623, Acts of the 67th Legislature, Regular Session, 1981
2-14 (Article 6550c, Vernon's Texas Civil Statutes).

2-15 SECTION 2. This Act takes effect January 1, 2008.

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