

1-1 By: West S.B. No. 426  
1-2 (In the Senate - Filed February 2, 2007; February 21, 2007,  
1-3 read first time and referred to Committee on Intergovernmental  
1-4 Relations; February 28, 2007, reported favorably by the following  
1-5 vote: Yeas 3, Nays 0; February 28, 2007, sent to printer.)

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

1-8 relating to qualification for an ad valorem tax exemption for  
1-9 property used to provide low-income or moderate-income housing in  
1-10 the event of a change in ownership of the property as a result of a  
1-11 foreclosure sale.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 11.182, Tax Code, is amended by amending  
1-14 Subsection (j) and adding Subsection (k) to read as follows:

1-15 (j) An organization may not receive an exemption under  
1-16 Subsection (b) or ~~[under Subsection] (f) [as added by Chapter~~  
1-17 ~~1191, Acts of the 77th Legislature, Regular Session, 2001,]~~ for  
1-18 property for a tax year ~~[beginning on or after January 1, 2004,]~~  
1-19 unless the organization received an exemption under that subsection  
1-20 for the ~~[that]~~ property for any part of the 2003 tax year.

1-21 (k) Notwithstanding Subsection (j) of this section and  
1-22 Sections 11.43(a) and (c), an exemption under Subsection (b) or (f)  
1-23 does not terminate because of a change in the ownership of the  
1-24 property if the property is sold at a foreclosure sale and, not  
1-25 later than the 30th day after the date of the sale, the owner of the  
1-26 property submits to the chief appraiser evidence that the property  
1-27 is owned by an organization that meets the requirements of  
1-28 Subsections (b)(1), (2), and (4). If the owner of the property  
1-29 submits the evidence required by this subsection, the exemption  
1-30 continues to apply to the property for the remainder of the current  
1-31 tax year and for subsequent tax years until the owner ceases to  
1-32 qualify the property for the exemption. This subsection does not  
1-33 prohibit the chief appraiser from requiring the owner to file a new  
1-34 application to confirm the owner's current qualification for the  
1-35 exemption as provided by Section 11.43(c).

1-36 SECTION 2. This Act takes effect immediately if it receives  
1-37 a vote of two-thirds of all the members elected to each house, as  
1-38 provided by Section 39, Article III, Texas Constitution. If this  
1-39 Act does not receive the vote necessary for immediate effect, this  
1-40 Act takes effect September 1, 2007.

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