

By: Williams

S.B. No. 736

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the exemption from ad valorem taxation of passenger
3 cars or light trucks owned by an individual and used in the course
4 of the owner's occupation or profession and also for personal
5 activities of the owner.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by
8 adding Section 11.253 to read as follows:

9 Sec. 11.253. PASSENGER CARS AND LIGHT TRUCKS USED FOR
10 PRODUCTION OF INCOME AND FOR PERSONAL ACTIVITIES. (a) An individual
11 is entitled to an exemption from ad valorem taxation of one or more
12 passenger cars or light trucks owned by the individual that are used
13 in the course of the individual's occupation or profession and are
14 also used for personal activities of the owner that do not involve
15 the production of income.

16 (b) In this section, "light truck" and "passenger car" have
17 the meanings assigned by Section 502.001, Transportation Code.

18 SECTION 2. (a) This Act applies beginning with the tax
19 year that begins January 1, 2007.

20 (b) For purposes of applying Section 11.253, Tax Code, as
21 added by this Act, to the 2007 tax year, a person entitled to an
22 exemption under that section in 2007 may apply for the exemption not
23 later than April 1, 2008. The chief appraiser shall correct the
24 appraisal roll to reflect an exemption granted for the 2007 tax year

1 as soon as practicable and shall promptly certify the exemption to
2 the assessor for each taxing unit. If a person who receives an
3 exemption under Section 11.253, Tax Code, for the 2007 tax year has
4 paid taxes on the property for 2007 before the person receives the
5 exemption, the collector for the taxing unit shall refund the
6 amount of taxes paid on the exempt property not later than the 30th
7 day after the date the exemption is certified to the assessor for
8 the unit.

9 SECTION 3. This Act takes effect on the date on which the
10 constitutional amendment proposed by the 80th Legislature, Regular
11 Session, 2007, authorizing the legislature to exempt from ad
12 valorem taxation one or more passenger cars or trucks owned by an
13 individual and used in the course of the owner's occupation or
14 profession and also for personal activities of the owner, takes
15 effect, if that constitutional amendment is approved by the voters.
16 If that constitutional amendment is not approved by the voters,
17 this Act has no effect.