

By: Watson

S.B. No. 1087

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the exemption from ad valorem taxation of property used
3 by a charitable organization operating certain radio stations.

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

5 SECTION 1. Subsection (d), Section 11.18, Tax Code, is
6 amended to read as follows:

7 (d) A charitable organization must be organized exclusively
8 to perform religious, charitable, scientific, literary, or
9 educational purposes and, except as permitted by Subsections (h)
10 and (l), engage exclusively in performing one or more of the
11 following charitable functions:

12 (1) providing medical care without regard to the
13 beneficiaries' ability to pay, which in the case of a nonprofit
14 hospital or hospital system means providing charity care and
15 community benefits in accordance with Section 11.1801;

16 (2) providing support or relief to orphans,
17 delinquent, dependent, or handicapped children in need of
18 residential care, abused or battered spouses or children in need of
19 temporary shelter, the impoverished, or victims of natural disaster
20 without regard to the beneficiaries' ability to pay;

21 (3) providing support to elderly persons, including
22 the provision of recreational or social activities and facilities
23 designed to address the special needs of elderly persons, or to the
24 handicapped, without regard to the beneficiaries' ability to pay;

- 1 (4) preserving a historical landmark or site;
- 2 (5) promoting or operating a museum, zoo, library,
3 theater of the dramatic or performing arts, or symphony orchestra
4 or choir;
- 5 (6) promoting or providing humane treatment of
6 animals;
- 7 (7) acquiring, storing, transporting, selling, or
8 distributing water for public use;
- 9 (8) answering fire alarms and extinguishing fires with
10 no compensation or only nominal compensation to the members of the
11 organization;
- 12 (9) promoting the athletic development of boys or
13 girls under the age of 18 years;
- 14 (10) preserving or conserving wildlife;
- 15 (11) promoting educational development through loans
16 or scholarships to students;
- 17 (12) providing halfway house services pursuant to a
18 certification as a halfway house by the pardons and paroles
19 division of the Texas Department of Criminal Justice;
- 20 (13) providing permanent housing and related social,
21 health care, and educational facilities for persons who are 62
22 years of age or older without regard to the residents' ability to
23 pay;
- 24 (14) promoting or operating an art gallery, museum, or
25 collection, in a permanent location or on tour, that is open to the
26 public;
- 27 (15) providing for the organized solicitation and

1 collection for distributions through gifts, grants, and agreements
2 to nonprofit charitable, education, religious, and youth
3 organizations that provide direct human, health, and welfare
4 services;

5 (16) performing biomedical or scientific research or
6 biomedical or scientific education for the benefit of the public;

7 (17) operating a television station that produces or
8 broadcasts educational, cultural, or other public interest
9 programming and that receives grants from the Corporation for
10 Public Broadcasting under 47 U.S.C. Section 396, as amended;

11 (18) providing housing for low-income and
12 moderate-income families, for unmarried individuals 62 years of age
13 or older, for handicapped individuals, and for families displaced
14 by urban renewal, through the use of trust assets that are
15 irrevocably and, pursuant to a contract entered into before
16 December 31, 1972, contractually dedicated on the sale or
17 disposition of the housing to a charitable organization that
18 performs charitable functions described by Subdivision (9);

19 (19) providing housing and related services to persons
20 who are 62 years of age or older in a retirement community, if the
21 retirement community provides independent living services,
22 assisted living services, and nursing services to its residents on
23 a single campus:

24 (A) without regard to the residents' ability to
25 pay; or

26 (B) in which at least four percent of the
27 retirement community's combined net resident revenue is provided in

1 charitable care to its residents; [~~or~~]

2 (20) providing housing on a cooperative basis to
3 students of an institution of higher education if:

4 (A) the organization is exempt from federal
5 income taxation under Section 501(a), Internal Revenue Code of
6 1986, as amended, by being listed as an exempt entity under Section
7 501(c)(3) of that code;

8 (B) membership in the organization is open to all
9 students enrolled in the institution and is not limited to those
10 chosen by current members of the organization;

11 (C) the organization is governed by its members;
12 and

13 (D) the members of the organization share the
14 responsibility for managing the housing; or

15 (21) operating a radio station that broadcasts
16 educational, cultural, or other public interest programming,
17 including classical music, and that in the preceding five years has
18 received or been selected to receive one or more grants or similar
19 funding from the Corporation for Public Broadcasting under 47
20 U.S.C. Section 396, as amended.

21 SECTION 2. This Act applies only to an ad valorem tax year
22 that begins on or after the effective date of this Act.

23 SECTION 3. This Act takes effect January 1, 2008.