

By: Watson

S.B. No. 1105

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the Texas Economic Development Act, including the
3 eligibility of property for economic benefits authorized by that
4 Act.

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

6 SECTION 1. Subsection (b), Section 313.024, Tax Code, is
7 amended to read as follows:

8 (b) To be eligible for a limitation on appraised value under
9 this subchapter, the corporation or limited liability company must
10 use the property in connection with:

- 11 (1) manufacturing;
- 12 (2) research and development;
- 13 (3) a clean coal project, as defined by Section 5.001,
14 Water Code;
- 15 (4) a gasification project for a coal and biomass
16 mixture; ~~or~~
- 17 (5) renewable energy electric generation; or
- 18 (6) a data center.

19 SECTION 2. Subsection (b), Section 313.024, Tax Code, as
20 effective January 1, 2008, is amended to read as follows:

21 (b) To be eligible for a limitation on appraised value under
22 this subchapter, the entity must use the property in connection
23 with:

- 24 (1) manufacturing;

- 1 (2) research and development;
- 2 (3) a clean coal project, as defined by Section 5.001,
- 3 Water Code;
- 4 (4) a gasification project for a coal and biomass
- 5 mixture; [~~or~~]
- 6 (5) renewable energy electric generation; or
- 7 (6) a data center.

8 SECTION 3. Subsection (e), Section 313.024, Tax Code, is
9 amended by adding Subdivision (3) to read as follows:

10 (3) "Data center" means an establishment primarily
11 engaged in providing electronic data processing and storage
12 services described in categories 518210 and 541513 of the 2002
13 North American Industry Classification System.

14 SECTION 4. The following statutes are repealed:

- 15 (1) Section 313.007, Tax Code;
- 16 (2) Subchapter E, Chapter 313, Tax Code; and
- 17 (3) Subsection (a), Section 16, Chapter 1, Acts of the
- 18 79th Legislature, 3rd Called Session, 2006.

19 SECTION 5. (a) Except as provided by Subsection (b) of
20 this section, this Act takes effect immediately if it receives a
21 vote of two-thirds of all the members elected to each house, as
22 provided by Section 39, Article III, Texas Constitution. If this
23 Act does not receive the vote necessary for immediate effect, this
24 Act takes effect September 1, 2007.

25 (b) Section 2 of this Act takes effect January 1, 2008.