

1-1 By: Wentworth S.B. No. 1296
1-2 (In the Senate - Filed March 7, 2007; March 19, 2007, read
1-3 first time and referred to Committee on Finance; April 30, 2007,
1-4 reported favorably by the following vote: Yeas 11, Nays 0;
1-5 April 30, 2007, sent to printer.)

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

1-8 relating to the exemption from ad valorem taxation of the property
1-9 of organizations engaged primarily in performing charitable
1-10 functions.

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

1-12 SECTION 1. Subsection (c), Section 11.184, Tax Code, is
1-13 amended to read as follows:

1-14 (c) A [~~If approved under Subsection (b), a~~] qualified
1-15 charitable organization is entitled to an exemption from taxation
1-16 of:

1-17 (1) the buildings and other real property and the
1-18 tangible personal property that:

1-19 (A) are owned by the organization; and

1-20 (B) except as permitted by Subsection (d), are
1-21 used exclusively by the organization and other organizations
1-22 eligible for an exemption from taxation under this section or
1-23 Section 11.18; and

1-24 (2) the real property owned by the organization
1-25 consisting of:

1-26 (A) an incomplete improvement that:

1-27 (i) is under active construction or other
1-28 physical preparation; and

1-29 (ii) is designed and intended to be used
1-30 exclusively by the organization and other organizations eligible
1-31 for an exemption from taxation under this section or Section 11.18;
1-32 and

1-33 (B) the land on which the incomplete improvement
1-34 is located that will be reasonably necessary for the use of the
1-35 improvement by the organization and other organizations eligible
1-36 for an exemption from taxation under this section or Section 11.18.

1-37 SECTION 2. Subsection (b), Section 11.184, Tax Code, is
1-38 repealed.

1-39 SECTION 3. This Act applies only to taxes imposed for a tax
1-40 year beginning on or after the effective date of this Act.

1-41 SECTION 4. This Act takes effect January 1, 2008.

1-42 * * * * *