

Amend CSHB 1976 by adding the following appropriately numbered SECTION to read as follows and renumbering subsequent SECTIONS accordingly:

SECTION \_\_\_\_\_. (a) Section 171.1011, Tax Code, is amended by adding Subsection (g-7) to read as follows:

(g-7) A taxable entity that is a property owners' association shall exclude from its total revenue, to the extent included under Subsection (c)(1)(A), (c)(2)(A), or (c)(3), assessments received by the association and used for the benefit of the residential subdivision. In this subsection, "assessment," "property owners' association," and "residential subdivision" have the meanings assigned by Section 209.002, Property Code.

(b) This section applies only to a report originally due on or after the effective date of this section.

(c) This section takes effect January 1, 2010.