

BILL ANALYSIS

Senate Research Center

H.B. 773
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Economic Development
5/22/2009
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Local governments use tax abatements to create new jobs by attracting industry and commercial enterprises and to encourage the retention and development of existing businesses. Over 2,000 tax abatement agreements have been executed by Texas local governments since 1997. These agreements are credited with creating or retaining more than 100,000 jobs between 1997 and 2007. Under current law, incorporated cities, counties, school districts, and special districts are authorized to enter into tax abatement agreements. In 1995, the Texas Legislature reauthorized local governments to continue using property tax abatements until September 1, 2001. In 2001, the legislature again reauthorized local governments to grant tax abatements through September 1, 2009. This bill reauthorizes the Property Redevelopment and Tax Abatement Act through September 1, 2019.

H.B. 773 amends current law relating to extending the expiration date of the Property Redevelopment and Tax Abatement Act.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 312.006, Tax Code, as amended by Chapters 1029 (H.B. 1449) and 1505 (H.B. 1200), Acts of the 77th Legislature, Regular Session, 2001, as follows:

Sec. 312.006. EXPIRATION DATE. Provides that if not continued in effect, this chapter expires September 1, 2019, rather than 2009.

SECTION 2. Effective date: upon passage or September 1, 2009.