

BILL ANALYSIS

H.B. 773
By: Oliveira
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

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.

H.B. 773 reauthorizes the Property Redevelopment and Tax Abatement Act through September 1, 2021.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 773 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, to postpone the expiration date of the Property Redevelopment and Tax Abatement Act from September 1, 2009, to September 1, 2021.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.