

## **BILL ANALYSIS**

Senate Research Center  
81R8112 JE-F

H.B. 2814  
By: Oliveira et al. (Williams)  
Finance  
5/5/2009  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

On November 6, 2007, Texas voters passed a constitutional amendment authorizing the legislature to exempt a passenger car owned by an individual and used for both the individual's occupation and personal activities that do not involve the productions of income from property taxation. This exemption ensures fairness and uniformity in the application of property tax laws across Texas. Many appraisal districts require vehicle owners claiming a mixed-use vehicle exemption to annually file an exemption form because current law does not provide a clear verification of the application for the exemption in subsequent years, thereby creating an inconvenience for both the vehicle owner and the appraisal district.

H.B. 2814 amends current law relating to the procedure for claiming an exemption from ad valorem taxation for a motor vehicle used for the production of income and for personal activities.

### **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 11.43(c), Tax Code, to provide that an exemption provided by Section 11.254, among other sections, once allowed, need not be claimed in subsequent years, and that, except as otherwise provided by Subsection (e), the exemption applies to the property until it changes ownership or the person's qualification for the exemption changes.

SECTION 2. Provides that Section 11.253, Tax Code, as added by Chapter 842 (H.B. 1022), Acts of the 80th Legislature, Regular Session, 2007, is renumbered as Section 11.254, Tax Code.

SECTION 3. Amends Section 22.01(k), Tax Code, to make a conforming change.

SECTION 4. Provides that this Act applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this Act.

SECTION 5. Effective date: January 1, 2010.