

By: Chisum

H.B. No. 132

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the exemption from ad valorem taxation of property
3 owned by organizations engaged primarily in performing charitable
4 functions.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 11.184(c), Tax Code, is amended to read
7 as follows:

8 (c) A [~~If approved under Subsection (b), a~~] qualified
9 charitable organization is entitled to an exemption from taxation
10 of:

11 (1) the buildings and other real property and the
12 tangible personal property that:

13 (A) are owned by the organization; and

14 (B) except as permitted by Subsection (d), are
15 used exclusively by the organization and other organizations
16 eligible for an exemption from taxation under this section or
17 Section 11.18; and

18 (2) the real property owned by the organization
19 consisting of:

20 (A) an incomplete improvement that:

21 (i) is under active construction or other
22 physical preparation; and

23 (ii) is designed and intended to be used
24 exclusively by the organization and other organizations eligible

1 for an exemption from taxation under this section or Section 11.18;
2 and

3 (B) the land on which the incomplete improvement
4 is located that will be reasonably necessary for the use of the
5 improvement by the organization and other organizations eligible
6 for an exemption from taxation under this section or Section 11.18.

7 SECTION 2. Section 11.184(b), Tax Code, is repealed.

8 SECTION 3. This Act applies only to ad valorem taxes imposed
9 for a tax year that begins on or after the effective date of this
10 Act.

11 SECTION 4. This Act takes effect January 1, 2010.