

AN ACT

relating to the authority of the Dallas County Flood Control District No. 1 to enter into a tax abatement agreement and to designate a reinvestment zone.

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

SECTION 1. Section 16A, Chapter 1081, Acts of the 68th Legislature, Regular Session, 1983, is amended to read as follows:

Sec. 16A. TAX ABATEMENT CRITERIA. The district may enter into a tax abatement agreement and may designate an area as a reinvestment zone on a finding by the board of directors that the proposed commercial-industrial or residential project or projects meet the criteria prescribed by Section 16D of this Act. The agreement must provide for the availability of tax abatement for both new facilities and structures and for the expansion or modernization of existing facilities and structures.

SECTION 2. Sections 16C(b) and (c), Chapter 1081, Acts of the 68th Legislature, Regular Session, 1983, are amended to read as follows:

(b) The resolution must describe the boundaries of the zone and the eligibility of the zone for commercial-industrial or residential tax abatement.

(c) Area of a reinvestment zone designated for commercial-industrial or residential tax abatement may be included in an overlapping or coincidental commercial-industrial or

1 residential zone established under Chapter 312, Tax Code.

2 SECTION 3. Section 16D(b), Chapter 1081, Acts of the 68th
3 Legislature, Regular Session, 1983, is amended to read as follows:

4 (b) The designation of a reinvestment zone for
5 commercial-industrial or residential tax abatement expires five
6 years after the date of the designation and may be renewed for
7 periods not to exceed five years. The expiration of the designation
8 does not affect an existing tax abatement agreement made under this
9 Act.

10 SECTION 4. Section 16E(a), Chapter 1081, Acts of the 68th
11 Legislature, Regular Session, 1983, is amended to read as follows:

12 (a) The district may agree in writing with the owner of
13 taxable real property that is located in a reinvestment zone, but
14 that is not in an improvement project financed by tax increment
15 bonds, to exempt from taxation a portion of the value of the real
16 property or of tangible personal property located on the real
17 property, or both, for a period not to exceed 30 years, subject to
18 the rights of holders of outstanding bonds of the district, on the
19 condition that the owner of the property make specific improvements
20 or repairs to the property. An agreement may provide for the
21 exemption of the real property in each year covered by the agreement
22 only to the extent its value for that year exceeds its value for the
23 year in which the agreement is executed. An agreement may provide
24 for the exemption of tangible personal property located on the real
25 property in each year covered by the agreement other than tangible
26 personal property that was located on the real property at any time
27 before the period covered by the agreement with the district. An

1 agreement may cover more than one commercial-industrial or
2 residential project.

3 SECTION 5. The changes in law made by this Act apply only to
4 a tax abatement agreement entered into or a designation of a
5 reinvestment zone made by the Dallas County Flood Control District
6 No. 1 on or after the effective date of this Act. A tax abatement
7 agreement entered into or a designation of a reinvestment zone made
8 by the district before the effective date of this Act is governed by
9 the law in effect when the contract was entered into or the
10 designation was made, and that law is continued in effect for that
11 purpose.

12 SECTION 6. This Act takes effect September 1, 2009.

H.B. No. 1134

President of the Senate

Speaker of the House

I certify that H.B. No. 1134 was passed by the House on April 28, 2009, by the following vote: Yeas 149, Nays 0, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1134 was passed by the Senate on May 22, 2009, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor