

By: Legler, Deshotel, Sheffield, Eiland,
Guillen, et al.

H.B. No. 1257

A BILL TO BE ENTITLED

AN ACT

relating to the payment in installments of ad valorem taxes on
certain property owned by a business entity and located in a
disaster area.

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

SECTION 1. Section 31.032, Tax Code, is amended by amending
Subsection (a) and adding Subsection (h) to read as follows:

(a) This section applies only to:

(1) real property that:

(A) is:

(i) the residence homestead of the owner or
consists of property that is used for residential purposes and that
has fewer than five living units; or

(ii) owned or leased by a business entity
that had not more than the amount calculated as provided by
Subsection (h) in gross receipts in the entity's most recent
federal tax year or state franchise tax annual period, according to
the applicable federal income tax return or state franchise tax
report of the entity;

(B) is located in a disaster area; and

(C) has been damaged as a direct result of the
disaster; ~~and~~

(2) tangible personal property that is owned or leased
by a business entity described by Subdivision (1)(A)(ii); and

1 (3) taxes that are imposed on the property by a taxing
2 unit before the first anniversary of the disaster.

3 (h) For the 2009 tax year, the limit on gross receipts under
4 Subsection (a)(1)(A)(ii) is \$5 million. For each subsequent tax
5 year, the comptroller shall adjust the limit to reflect inflation
6 by using the index that the comptroller considers to most
7 accurately report changes in the purchasing power of the dollar for
8 consumers in this state and shall publicize the adjusted limit.
9 Each collector shall use the adjusted limit as calculated by the
10 comptroller under this subsection to determine whether property is
11 owned or leased by a business entity described by Subsection
12 (a)(1)(A)(ii).

13 SECTION 2. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2009.