

By: Harper-Brown

H.B. No. 2460

A BILL TO BE ENTITLED

AN ACT

relating to the exemption from ad valorem tax of certain property owned by a religious organization.

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

SECTION 1. Section 11.20(a), Tax Code, is amended to read as follows:

(a) An organization that qualifies as a religious organization as provided by Subsection (c) is entitled to an exemption from taxation of:

(1) the real property that is owned by the religious organization, is used primarily as a place of regular religious worship, and is reasonably necessary for engaging in religious worship;

(2) the tangible personal property that is owned by the religious organization and is reasonably necessary for engaging in worship at the place of worship specified in Subdivision (1);

(3) the real property that is owned by the religious organization and is reasonably necessary for use as a residence (but not more than one acre of land for each residence) if the property:

(A) is used exclusively as a residence for those individuals whose principal occupation is to serve in the clergy of the religious organization or is vacant but was used exclusively for that purpose immediately before becoming vacant; and

1 (B) produces no revenue for the religious
2 organization;

3 (4) the tangible personal property that is owned by
4 the religious organization and is reasonably necessary for use of
5 the residence specified by Subdivision (3);

6 (5) the real property owned by the religious
7 organization consisting of:

8 (A) an incomplete improvement that is under
9 active construction or other physical preparation and that is
10 designed and intended to be used by the religious organization as a
11 place of regular religious worship when complete; and

12 (B) the land on which the incomplete improvement
13 is located that will be reasonably necessary for the religious
14 organization's use of the improvement as a place of regular
15 religious worship;

16 (6) the land that the religious organization owns for
17 the purpose of expansion of the religious organization's place of
18 regular religious worship or construction of a new place of regular
19 religious worship if:

20 (A) the religious organization qualifies other
21 property, including a portion of the same tract or parcel of land,
22 owned by the organization for an exemption under Subdivision (1) or
23 (5); and

24 (B) the land produces no revenue for the
25 religious organization; and

26 (7) the real property owned by the religious
27 organization that is leased to another person and used by that

1 person for the operation of a school that qualifies as a school
2 under Section 11.21(d).

3 SECTION 2. This Act applies only to ad valorem taxes imposed
4 for a tax year beginning on or after the effective date of this Act.

5 SECTION 3. This Act takes effect January 1, 2010.