

By: Dunnam

H.B. No. 3965

Substitute the following for H.B. No. 3965:

By: Oliveira

C.S.H.B. No. 3965

A BILL TO BE ENTITLED

AN ACT

relating to the exemption from ad valorem taxation for certain property used to control pollution.

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

SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.112 to read as follows:

Sec. 11.112. PROPERTY USED FOR CONTROLLING POLLUTION FROM PUBLIC PROPERTY. A person is entitled to an exemption under this section from taxation of the real and personal property the person owns that is used in connection with the manufacture or production of a product or the provision of a service that prevents, monitors, controls, or reduces air, water, or land pollution if:

(1) the person installs and uses the product, or provides the service, under a contract or other agreement with a governmental entity to capture and convert waste, including gas, from public property; and

(2) the person:

(A) processes and delivers the waste to a common carrier to displace a natural resource; or

(B) processes and converts the waste to electrical or other useful energy and provides the energy to the governmental entity.

SECTION 2. Section 11.43(a), Tax Code, is amended to read as follows:

1 (a) To receive an exemption, a person claiming the
2 exemption, other than an exemption authorized by Section 11.11,
3 11.112, 11.12, 11.14, 11.145, 11.146, 11.15, 11.16, 11.161, or
4 11.25 of this code, must apply for the exemption. To apply for an
5 exemption, a person must file an exemption application form with
6 the chief appraiser for each appraisal district in which the
7 property subject to the claimed exemption has situs.

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

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