

By: Williams

S.B. No. 2303

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the procedure for claiming an exemption from ad valorem  
3 taxation for a motor vehicle used for the production of income and  
4 for personal activities.

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

6 SECTION 1. Section 11.43(c), Tax Code, is amended to read as  
7 follows:

8 (c) An exemption provided by Section 11.13, 11.17, 11.18,  
9 11.182, 11.183, 11.19, 11.20, 11.21, 11.22, 11.23(h), (j), or  
10 (j-1), 11.254, 11.29, 11.30, or 11.31, once allowed, need not be  
11 claimed in subsequent years, and except as otherwise provided by  
12 Subsection (e), the exemption applies to the property until it  
13 changes ownership or the person's qualification for the exemption  
14 changes. However, the chief appraiser may require a person allowed  
15 one of the exemptions in a prior year to file a new application to  
16 confirm the person's current qualification for the exemption by  
17 delivering a written notice that a new application is required,  
18 accompanied by an appropriate application form, to the person  
19 previously allowed the exemption.

20 SECTION 2. Section 11.253, Tax Code, as added by Chapter 842  
21 (H.B. 1022), Acts of the 80th Legislature, Regular Session, 2007,  
22 is renumbered as Section 11.254, Tax Code, to read as follows:

23 Sec. 11.254 [~~11.253~~]. MOTOR VEHICLE USED FOR PRODUCTION OF  
24 INCOME AND FOR PERSONAL ACTIVITIES. (a) Except as provided by

1 Subsection (c), an individual is entitled to an exemption from  
2 taxation of one motor vehicle owned by the individual that is used  
3 in the course of the individual's occupation or profession and is  
4 also used for personal activities of the owner that do not involve  
5 the production of income.

6 (b) In this section, "motor vehicle" means a passenger car  
7 or light truck as those terms are defined by Section 502.001,  
8 Transportation Code.

9 (c) A person who has been granted or applied for an  
10 exemption under this section may not apply for another exemption  
11 under this section until after the application or exemption has  
12 been denied.

13 (d) This section does not apply to a motor vehicle used to  
14 transport passengers for hire.

15 SECTION 3. Section 22.01(k), Tax Code, is amended to read as  
16 follows:

17 (k) Notwithstanding Subsections (a) and (b), an individual  
18 who has been granted or has applied for an exemption from taxation  
19 under Section 11.254 [~~11.253~~] for a motor vehicle the individual  
20 owns is not required to render the motor vehicle for taxation.

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

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