

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 26, 2009

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB2442 by Uresti (Relating to the exemption from ad valorem taxation of property owned by certain charitable organizations.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend Section 11.18(d) of the Tax Code, to specify that providing to the handicapped training and employment in producing commodities or services under 41 U.S.C. Sections 46-48c is an eligible charitable function in qualifying for the exemption of property owned by certain charitable organizations. 41 U.S.C. Sections 46-48c sets up a federal committee that helps blind and severely handicapped individuals sell services or commodities. Current law lists providing support to the handicapped as an eligible charitable function but does not elaborate further.

Because providing support to the handicapped is already an eligible charitable function in qualifying for the exemption of property owned by certain charitable organizations, the bill would have no significant impact to taxing units or to the state.

The bill would take effect on January 1, 2010 and would apply to a tax year that begins after that date.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, MN, SD, SJS