

Amend CSSB 1 (house committee printing) by adding the following appropriately numbered ARTICLE to the bill and renumbering the subsequent ARTICLES and SECTIONS of the bill accordingly:

ARTICLE _____. AD VALOREM TAXATION OF LOW-INCOME OR MODERATE-INCOME
HOUSING

SECTION _____.01. Section 11.182(a), Tax Code, is amended by adding Subdivision (3) to read as follows:

(3) "Control" means having the power to manage, direct, superintend, restrict, regulate, govern, or oversee.

SECTION _____.02. Section 11.182, Tax Code, is amended by adding Subsections (a-1), (b-1), and (b-2) to read as follows:

(a-1) An organization is considered to own property for purposes of this section and the provisions of Section 2, Article VIII, Texas Constitution, authorizing the legislature by general law to exempt from taxation property owned by an institution engaged primarily in performing public charitable functions, if the organization has legal or equitable title to the property.

(b-1) Notwithstanding Subsection (b) or (e), an owner of real property that is not an organization described by that subsection is entitled to an exemption from taxation of property under this section if the property otherwise qualifies for the exemption and the owner is:

(1) a limited partnership of which an organization that meets the requirements of Subsection (b) controls 100 percent of the general partner interest; or

(2) an entity the parent of which is an organization that meets the requirements of Subsection (b).

(b-2) A reference in this section to an organization includes an entity described by Subsection (b) or (b-1). For purposes of this section, an organization that is entitled to an exemption under Subsection (b-1) shall be treated as an organization that is entitled to an exemption under Subsection (b).

SECTION _____.03. Section 11.1825, Tax Code, is amended by amending Subsection (a) and adding Subsections (a-1) and (a-2) to read as follows:

(a) In this section, "control" means having the power to

manage, direct, superintend, restrict, regulate, govern, or oversee.

(a-1) An organization is considered to own property for purposes of this section and the provisions of Section 2, Article VIII, Texas Constitution, authorizing the legislature by general law to exempt from taxation property owned by an institution engaged primarily in performing public charitable functions, if the organization has legal or equitable title to the property.

(a-2) An organization is entitled to an exemption from taxation of real property owned by the organization that the organization constructs or rehabilitates and uses to provide housing to individuals or families meeting the income eligibility requirements of this section.

SECTION _____.04. This article may not be construed to permit a refund of ad valorem taxes paid before the effective date of this article on property determined to be eligible for an exemption under Section 11.182 or 11.1825, Tax Code, as amended by this article.

SECTION _____.05. This article applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this article.

SECTION _____.06. This article takes effect January 1, 2013.