

By: Rodriguez

H.B. No. 3133

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the appraisal for ad valorem tax purposes of property on
3 which housing is being or has been built or repaired for sale to a
4 low-income individual or family.

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

6 SECTION 1. Section 11.181(b), Tax Code, is amended to read
7 as follows:

8 (b) Property may not be exempted under Subsection (a) after
9 the fifth anniversary of the date the organization acquires the
10 property. Property that received an exemption under Section
11 11.1825 and that was subsequently transferred by the organization
12 described by that section that qualified for the exemption to an
13 organization described by this section may not be exempted under
14 Subsection (a) after the fifth anniversary of the date the
15 transferring organization acquired the property.

16 SECTION 2. Section 11.1825, Tax Code, is amended by adding
17 Subsection (p-1) to read as follows:

18 (p-1) Notwithstanding the other provisions of this section,
19 property transferred from an organization described by this section
20 to a nonprofit organization that claims an exemption for the
21 property under Section 11.181(a) is a proper use of and purpose for
22 owning the property under this section and does not affect the
23 eligibility of the property for an exemption under this section.

24 SECTION 3. Section 23.21, Tax Code, is amended by adding

1 Subsection (c) to read as follows:

2 (c) In appraising real property that was previously owned by
3 an organization that received an exemption for the property under
4 Section 11.181(a) and that was sold to a low-income individual or
5 family meeting income eligibility standards established by the
6 organization under regulations or restrictions limiting to a
7 percentage of the individual's or the family's income the amount
8 that the individual or family was required to pay for purchasing the
9 property, the chief appraiser shall take into account the extent to
10 which that use and limitation and any resale restrictions or
11 conditions applicable to the property established by the
12 organization reduce the market value of the property.

13 SECTION 4. Section 23.55, Tax Code, is amended by adding
14 Subsection (p) to read as follows:

15 (p) The sanctions provided by Subsection (a) do not apply to
16 real property transferred to an organization described by Section
17 11.181(a) if the organization converts the real property to a use
18 for which the real property is eligible for an exemption under
19 Section 11.181(a).

20 SECTION 5. (a) The changes in law made by this Act to
21 Sections 11.181 and 11.1825, Tax Code, apply to the taxation of real
22 property beginning with the 2011 tax year.

23 (b) The change in law made by this Act to Section 23.55, Tax
24 Code, applies only to a transfer of real property that occurs on or
25 after the effective date of this Act. A transfer of real property
26 that occurs before the effective date of this Act is governed by the
27 law in effect immediately before the effective date of this Act, and

1 that law is continued in effect for that purpose.

2 (c) The change in law made by this Act to Section 23.21, Tax
3 Code, applies only to an appraisal of real property on or after the
4 effective date of this Act. An appraisal of real property before the
5 effective date of this Act is governed by the law in effect
6 immediately before the effective date of this Act, and that law is
7 continued in effect for that purpose.

8 SECTION 6. This Act takes effect immediately if it receives
9 a vote of two-thirds of all the members elected to each house, as
10 provided by Section 39, Article III, Texas Constitution. If this
11 Act does not receive the vote necessary for immediate effect, this
12 Act takes effect September 1, 2011.