

1-1 By: Seliger S.B. No. 1120  
1-2 (In the Senate - Filed March 3, 2011; March 16, 2011, read  
1-3 first time and referred to Committee on Intergovernmental  
1-4 Relations; May 3, 2011, reported adversely, with favorable  
1-5 Committee Substitute by the following vote: Yeas 5, Nays 0;  
1-6 May 3, 2011, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1120 By: Nichols

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the exemption from taxation of property of a local  
1-11 government corporation.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subsection (b), Section 431.102, Transportation  
1-14 Code, is amended to read as follows:

1-15 (b) The property of a local government corporation and a  
1-16 transaction to acquire the property is exempt from taxation in the  
1-17 same manner as a corporation created under Chapter 394, Local  
1-18 Government Code, except that property of a local government  
1-19 corporation created by a municipal power agency that was created  
1-20 under Subchapter C, Chapter 163, Utilities Code, is not exempt from  
1-21 ad valorem taxation if the property is located outside of the  
1-22 boundaries of each of the municipalities that created the municipal  
1-23 power agency.

1-24 SECTION 2. This Act takes effect immediately if it receives  
1-25 a vote of two-thirds of all the members elected to each house, as  
1-26 provided by Section 39, Article III, Texas Constitution. If this  
1-27 Act does not receive the vote necessary for immediate effect, this  
1-28 Act takes effect September 1, 2011.

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