

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 8, 2011

TO: Honorable Harvey Hilderbran, Chair, House Committee on Ways & Means

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

IN RE: HB2746 by Martinez Fischer (Relating to liability for the additional tax imposed on land appraised for ad valorem tax purposes as qualified open-space land in the event of a change of use of the land if the land is transferred to a charitable organization for purposes of building housing for sale without profit to a low-income individual or family.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Tax Code to provide exceptions to agriculture rollback taxes for property transferred to a qualified charitable organization improving property for low income housing. As a result, taxable property values and the related ad valorem tax revenue for units of local government could be reduced. However the exceptions would not influence the school funding formulas, so there would be no fiscal impact to the State.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2011.

Local Government Impact

Passage of this bill would provide exceptions to agriculture rollback taxes for property transferred to a qualified charitable organization improving property for low income housing. As a result, taxable property values and the related ad valorem tax revenue for units of local government could be reduced.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KK, SD, SJS