

BILL ANALYSIS

S.B. 193
By: West
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note that, over the past decade, numerous court rulings have called into question whether community housing development organizations are eligible to receive a property tax exemption for property used to provide affordable housing. According to the parties, the issue has since been resolved by a Texas Supreme Court decision, but while the decision clarified exemption eligibility, it also recognized a particular statutory requirement that also needs clarification.

S.B. 193 seeks to provide for that clarification as it relates to the exemption from property taxation of certain property used to provide low-income and moderate-income housing.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 193 amends the Tax Code to clarify that a community housing development organization must deliver a copy of the audit necessary for the organization to claim an exemption from taxation of certain real property owned by the organization and used to provide low-income and moderate-income housing to the Texas Department of Housing and Community Affairs and the chief appraiser of the appraisal district in which the property is located in order for the organization to receive the exemption. The bill authorizes the chief appraiser to extend the deadline by which the organization must deliver a copy of the audit for good cause shown.

EFFECTIVE DATE

January 1, 2014.