

By: Anchia

H.B. No. 1173

Substitute the following for H.B. No. 1173:

By: Keffer

C.S.H.B. No. 1173

A BILL TO BE ENTITLED

AN ACT

relating to a local option exemption from ad valorem taxation of the portion of the appraised value of a person's property that is attributable to the installation on the property of certain water conservation systems.

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

SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.325 to read as follows:

Sec. 11.325. WATER CONSERVATION SYSTEMS. (a) In this section:

(1) "Drip irrigation system" means a low pressure, low volume irrigation system that delivers water to the roots or base of a plant through surface or subsurface lines, tubes, and emitters.

(2) "Rainwater harvesting system" means a system for the capture and storage of rainwater for subsequent use. For the purposes of this section, a rainwater harvesting system must store water in cisterns capable of holding 400 or more gallons of water.

(b) The governing body of a taxing unit by official action of the governing body adopted in the manner required by law for official actions may exempt from taxation the portion of the appraised value of property that is attributable to the installation on the property of a drip irrigation system or a rainwater harvesting system.

SECTION 2. Section 403.302(d), Government Code, is amended

to read as follows:

(d) For the purposes of this section, "taxable value" means the market value of all taxable property less:

(1) the total dollar amount of any residence homestead exemptions lawfully granted under Section 11.13(b) or (c), Tax Code, in the year that is the subject of the study for each school district;

(2) one-half of the total dollar amount of any residence homestead exemptions granted under Section 11.13(n), Tax Code, in the year that is the subject of the study for each school district;

(3) the total dollar amount of any exemptions granted before May 31, 1993, within a reinvestment zone under agreements authorized by Chapter 312, Tax Code;

(4) subject to Subsection (e), the total dollar amount of any captured appraised value of property that:

(A) is within a reinvestment zone created on or before May 31, 1999, or is proposed to be included within the boundaries of a reinvestment zone as the boundaries of the zone and the proposed portion of tax increment paid into the tax increment fund by a school district are described in a written notification provided by the municipality or the board of directors of the zone to the governing bodies of the other taxing units in the manner provided by former Section 311.003(e), Tax Code, before May 31, 1999, and within the boundaries of the zone as those boundaries existed on September 1, 1999, including subsequent improvements to the property regardless of when made;

1 (B) generates taxes paid into a tax increment
2 fund created under Chapter 311, Tax Code, under a reinvestment zone
3 financing plan approved under Section 311.011(d), Tax Code, on or
4 before September 1, 1999; and

5 (C) is eligible for tax increment financing under
6 Chapter 311, Tax Code;

7 (5) the total dollar amount of any captured appraised
8 value of property that:

9 (A) is within a reinvestment zone:

10 (i) created on or before December 31, 2008,
11 by a municipality with a population of less than 18,000; and

12 (ii) the project plan for which includes
13 the alteration, remodeling, repair, or reconstruction of a
14 structure that is included on the National Register of Historic
15 Places and requires that a portion of the tax increment of the zone
16 be used for the improvement or construction of related facilities
17 or for affordable housing;

18 (B) generates school district taxes that are paid
19 into a tax increment fund created under Chapter 311, Tax Code; and

20 (C) is eligible for tax increment financing under
21 Chapter 311, Tax Code;

22 (6) the total dollar amount of any exemptions granted
23 under Section 11.251, ~~[or]~~ 11.253, or 11.325, Tax Code;

24 (7) the difference between the comptroller's estimate
25 of the market value and the productivity value of land that
26 qualifies for appraisal on the basis of its productive capacity,
27 except that the productivity value estimated by the comptroller may

not exceed the fair market value of the land;

(8) the portion of the appraised value of residence homesteads of individuals who receive a tax limitation under Section 11.26, Tax Code, on which school district taxes are not imposed in the year that is the subject of the study, calculated as if the residence homesteads were appraised at the full value required by law;

(9) a portion of the market value of property not otherwise fully taxable by the district at market value because of:

(A) action required by statute or the constitution of this state that, if the tax rate adopted by the district is applied to it, produces an amount equal to the difference between the tax that the district would have imposed on the property if the property were fully taxable at market value and the tax that the district is actually authorized to impose on the property, if this subsection does not otherwise require that portion to be deducted; or

(B) action taken by the district under Subchapter B or C, Chapter 313, Tax Code, before the expiration of the subchapter;

(10) the market value of all tangible personal property, other than manufactured homes, owned by a family or individual and not held or used for the production of income;

(11) the appraised value of property the collection of delinquent taxes on which is deferred under Section 33.06, Tax Code;

(12) the portion of the appraised value of property

1 the collection of delinquent taxes on which is deferred under
2 Section 33.065, Tax Code; and

3 (13) the amount by which the market value of a
4 residence homestead to which Section 23.23, Tax Code, applies
5 exceeds the appraised value of that property as calculated under
6 that section.

7 SECTION 3. This Act applies only to ad valorem taxes imposed
8 for a tax year beginning on or after the effective date of this Act.

9 SECTION 4. This Act takes effect January 1, 2014.