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et al.

H.B. No. 1736

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a temporary exemption from ad valorem taxation of
3 property used to collect, process, and deliver landfill-generated
4 gas.

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

6 SECTION 1. The legislature finds that current rules adopted
7 by the Texas Commission on Environmental Quality regarding
8 qualification of property for exemption from taxation under Section
9 11.31, Tax Code, are consistent with the legislature's desire to
10 exempt only property used, constructed, acquired, or installed
11 wholly or partly to meet or exceed laws, rules, or regulations
12 adopted by any environmental protection agency of the United
13 States, Texas, or a political subdivision of Texas, for the
14 prevention, monitoring, control, or reduction of air, water, or
15 land pollution. The legislature further finds that current unique
16 market forces are a deterrent to landfill methane capture, and the
17 limited exemption set forth in this Act will prevent the loss of
18 facilities that help the state in reducing pollution.

19 SECTION 2. Subchapter B, Chapter 11, Tax Code, is amended by
20 adding Section 11.311 to read as follows:

21 Sec. 11.311. TEMPORARY EXEMPTION: LANDFILL-GENERATED GAS
22 CONVERSION FACILITIES. (a) This section applies only to real and
23 personal property that is used in the manner described by
24 Subsection (b) on January 1, 2014.

1 (b) A person is entitled to an exemption from taxation of
2 the real and personal property the person owns that is located on or
3 in close proximity to a landfill and is used to:

4 (1) collect gas generated by the landfill;

5 (2) compress and transport the gas;

6 (3) process the gas so that it may be:

7 (A) delivered into a natural gas pipeline; or

8 (B) used as a transportation fuel in
9 methane-powered on-road or off-road vehicles or equipment; and

10 (4) deliver the gas:

11 (A) into a natural gas pipeline; or

12 (B) to a methane fueling station.

13 (c) Property described by this section is considered to be
14 property used as a facility, device, or method for the control of
15 air, water, or land pollution.

16 (d) This section expires December 31, 2015.

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

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