

By: Workman

H.B. No. 2497

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from ad valorem taxation of real property used to operate a child-care facility.

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

SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.35 to read as follows:

Sec. 11.35. CHILD-CARE FACILITIES. (a) In this section, "child-care facility" has the meaning assigned by Section 42.002, Human Resources Code.

(b) A person is entitled to an exemption from taxation of the real property the person owns and operates as a child-care facility that qualifies as provided by Subsection (d) if:

(1) except as provided by Subsection (c), the property is used exclusively for providing developmental and educational services for children attending the facility; and

(2) the property is reasonably necessary for the operation of the child-care facility.

(c) Use of exempt property for functions other than providing developmental and educational services for children attending the child-care facility located on the property does not result in the loss of an exemption authorized by this section if those other functions are incidental to the use of the property for providing those services to those children and benefit:

(1) those children; or

1 (2) the staff and faculty of the facility.

2 (d) To qualify as a child-care facility for the purposes of
3 this section, an entity, whether operated by an individual, as a
4 corporation, or as an association, must be accredited by a
5 nationally recognized accrediting organization for child-care or
6 early childhood education facilities or programs approved by the
7 Texas Workforce Commission and the Department of Family and
8 Protective Services as applying criteria for accreditation
9 adequate to ensure the quality of an accredited facility or
10 program, such as the National Association for the Education of
11 Young Children or the National Early Childhood Program
12 Accreditation Commission.

13 (e) Property is not disqualified from receiving an
14 exemption under this section if a portion of the property is used
15 for functions other than those described by Subsections (b) and
16 (c). However, the exemption does not apply to the value of the
17 portion of the property that is used for those other functions.

18 SECTION 2. Section 11.43(c), Tax Code, is amended to read as
19 follows:

20 (c) An exemption provided by Section 11.13, 11.131, 11.17,
21 11.18, 11.182, 11.1827, 11.183, 11.19, 11.20, 11.21, 11.22,
22 11.23(h), (j), or (j-1), 11.231, 11.254, 11.29, 11.30, [~~or~~] 11.31,
23 or 11.35, once allowed, need not be claimed in subsequent years, and
24 except as otherwise provided by Subsection (e), the exemption
25 applies to the property until it changes ownership or the person's
26 qualification for the exemption changes. However, the chief
27 appraiser may require a person allowed one of the exemptions in a

1 prior year to file a new application to confirm the person's current
2 qualification for the exemption by delivering a written notice that
3 a new application is required, accompanied by an appropriate
4 application form, to the person previously allowed the exemption.

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

7 SECTION 4. This Act takes effect January 1, 2014, but only
8 if the constitutional amendment authorizing the legislature to
9 exempt from ad valorem taxation real property used to operate a
10 child-care facility is approved by the voters. If that amendment is
11 not approved by the voters, this Act has no effect.