

By: West

S.B. No. 1529

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from property taxation for certain facilities that convert landfill generated methane into renewable natural gas.

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. LANDFILL GENERATED METHANE CONVERSION FACILITIES. (a) A person is entitled to an exemption from taxation of all real and personal property owned or leased by a person that is used as part of or in connection with a Renewable Natural Gas Facility to produce Renewable Natural Gas, which collectively is a facility, device, or method for the control of air, water, or land pollution.

(b) In this section, "Renewable Natural Gas" means product gas derived from landfill gas collected at a landfill that has been processed by a Renewable Natural Gas Facility to meet either:

(i) the gas quality requirements of the natural gas pipeline into which such product gas is injected; or

(ii) the gas quality required for use as a transportation fuel in methane powered on-road or off-road vehicles or equipment.

(c) In this section, "Renewable Natural Gas Facility" means the real and personal property used to accomplish the collection,

compression, transport and processing of landfill gas into Renewable Natural Gas either into a natural gas pipeline or by delivery to a methane fueling station and/or a methane fueling station, including dispensing equipment, if located on or in close proximity to the landfill from which the Renewable Natural Gas is produced. "Renewable Natural Gas Facility" includes wells; wellheads and related hardware; wells, pipes and equipment for injection of liquids into a landfill to enhance production of landfill gas and recovery of landfill air space; all landfill gas collection system and processing equipment piping; waste liquids disposal equipment; hoses; pipelines; pumps; sumps; blowers; compressors; gas dryers; gas treatment equipment used to separate or remove carbon dioxide, sulfur and other chemicals from the product gas; valves; thermal destruction equipment, including flares and thermal oxidizers; electronic controls and processors; electric equipment; wiring; transformers; switchgear; onsite offices, storage and equipment buildings, containers, tanks and other structures; spare parts; chemical media; meters; calibration gas; gas chromatographs and other measuring equipment; valves; flanges; pipeline interconnection equipment; and fueling station equipment, including compressors, buffering vessels, methane fueling posts, hoses, fast-fill dispensers, control equipment and all related equipment.

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

(c) An exemption provided by Section 11.13, 11.131, 11.17, 11.18, 11.182, 11.1827, 11.183, 11.19, 11.20, 11.21, 11.22,

1 11.23(h), (j), or (j-1), 11.231, 11.254, 11.29, 11.30, ~~or~~ 11.31, or
 2 11.35, once allowed, need not be claimed in subsequent years, and
 3 except as otherwise provided by Subsection (e), the exemption
 4 applies to the property until it changes ownership or the person's
 5 qualification for the exemption changes. However, the chief
 6 appraiser may require a person allowed one of the exemptions in a
 7 prior year to file a new application to confirm the person's current
 8 qualification for the exemption by delivering a written notice that
 9 a new application is required, accompanied by an appropriate
 10 application form, to the person previously allowed the exemption.

11 SECTION 3. EFFECTIVE DATE. This Act takes effect
 12 immediately if it receives a vote of two-thirds of all the members
 13 elected to each house, as provided by Section 39, Article III, Texas
 14 Constitution. If this Act does not receive the vote necessary for
 15 immediate effect, this Act takes effect September 1, 2013. The
 16 changes in law made by this Act apply to an application for an
 17 exemption from taxation under Section 11.31 of this chapter that is
 18 pending at the time of enactment of this Act.