

By: Hancock

S.B. No. 1103

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility of property used for large data center projects for ad valorem tax benefits under the Texas Economic Development Act.

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

SECTION 1. Section 313.024(b), Tax Code, to read as follows:

Sec. 313.024. ELIGIBLE PROPERTY. (a) This subchapter and Subchapter C apply only to property owned by an entity subject to the tax imposed by Chapter 171.

(a-1) Expired.

(b) To be eligible for a limitation on appraised value under this subchapter, the entity must use the property for:

- (1) manufacturing;
- (2) research and development;
- (3) a clean coal project, as defined by Section 5.001, Water Code;
- (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code;
- (5) renewable energy electric generation;
- (6) electric power generation using integrated gasification combined cycle technology;
- (7) nuclear electric power generation;
- (8) a computer center primarily used in connection with one or more activities described by Subdivisions (1) through

(7) conducted by the entity; ~~[or]~~

(9) a Texas priority project; or

(10) a large data center project, as defined by Section 151.3595(d)(2)(b), Tax Code.

SECTION 2. Section 313.024(e), Tax Code, is amended by adding Subdivision (8) to read as follows:

(8) "Large data center project" means an establishment primarily engaged in providing electronic data processing and information storage.

SECTION 3. (a) Except as provided by Subsections (b) of this section, Chapter 313, Tax Code, as amended by this Act, applies only to an application filed under that chapter on or after the effective date of this Act. An application filed under that chapter before the effective date of this Act is governed by the law in effect on the date the application was filed, and the former law is continued in effect for that purpose.

(b) An application for a valuation limitation to a local school district on or after March 1, 2015, pursuant to an application filed under Chapter 313, Tax Code, before the effective date of this Act may condition eligibility for the valuation limitation, as applicable, on compliance with the provisions of that chapter, as amended by this Act.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.