

By: Ellis

S.B. No. 1687

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the exemption from ad valorem taxation of property
3 owned by charitable organizations that engage in or support the
4 planting, growing, cultivation, or maintenance of trees in public
5 areas.

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

7 SECTION 1. Section 11.18(d), Tax Code, is amended to read as
8 follows:

9 (d) A charitable organization must be organized exclusively to
10 perform religious, charitable, scientific, literary, or
11 educational purposes and, except as permitted by Subsections (h)
12 and (l), engage exclusively in performing one or more of the
13 following charitable functions:

14 (1) providing medical care without regard to the beneficiaries'
15 ability to pay, which in the case of a nonprofit hospital or
16 hospital system means providing charity care and community benefits
17 in accordance with Section 11.1801;

18 (2) providing support or relief to orphans, delinquent,
19 dependent, or handicapped children in need of residential care,
20 abused or battered spouses or children in need of temporary
21 shelter, the impoverished, or victims of natural disaster without
22 regard to the beneficiaries' ability to pay;

23 (3) providing support without regard to the beneficiaries'
24 ability to pay to:

- 1 (A) elderly persons, including the provision of:
 - 2 (i) recreational or social activities; and
 - 3 (ii) facilities designed to address the special needs of elderly
 - 4 persons; or
- 5 (B) the handicapped, including training and employment:
 - 6 (i) in the production of commodities; or
 - 7 (ii) in the provision of services under 41 U.S.C. Sections 46-48c;
 - 8 (4) preserving a historical landmark or site;
 - 9 (5) promoting or operating a museum, zoo, library, theater of the
 - 10 dramatic or performing arts, or symphony orchestra or choir;
 - 11 (6) promoting or providing humane treatment of animals;
 - 12 (7) acquiring, storing, transporting, selling, or distributing
 - 13 water for public use;
 - 14 (8) answering fire alarms and extinguishing fires with no
 - 15 compensation or only nominal compensation to the members of the
 - 16 organization;
 - 17 (9) promoting the athletic development of boys or girls under the
 - 18 age of 18 years;
 - 19 (10) preserving or conserving wildlife;
 - 20 (11) promoting educational development through loans or
 - 21 scholarships to students;
 - 22 (12) providing halfway house services pursuant to a certification
 - 23 as a halfway house by the parole division of the Texas Department of
 - 24 Criminal Justice;
 - 25 (13) providing permanent housing and related social, health care,
 - 26 and educational facilities for persons who are 62 years of age or
 - 27 older without regard to the residents' ability to pay;

- 1 (14) promoting or operating an art gallery, museum, or collection,
2 in a permanent location or on tour, that is open to the public;
- 3 (15) providing for the organized solicitation and collection for
4 distributions through gifts, grants, and agreements to nonprofit
5 charitable, education, religious, and youth organizations that
6 provide direct human, health, and welfare services;
- 7 (16) performing biomedical or scientific research or biomedical
8 or scientific education for the benefit of the public;
- 9 (17) operating a television station that produces or broadcasts
10 educational, cultural, or other public interest programming and
11 that receives grants from the Corporation for Public Broadcasting
12 under 47 U.S.C. Section 396, as amended;
- 13 (18) providing housing for low-income and moderate-income
14 families, for unmarried individuals 62 years of age or older, for
15 handicapped individuals, and for families displaced by urban
16 renewal, through the use of trust assets that are irrevocably and,
17 pursuant to a contract entered into before December 31, 1972,
18 contractually dedicated on the sale or disposition of the housing
19 to a charitable organization that performs charitable functions
20 described by Subdivision (9);
- 21 (19) providing housing and related services to persons who are 62
22 years of age or older in a retirement community, if the retirement
23 community provides independent living services, assisted living
24 services, and nursing services to its residents on a single campus:
- 25 (A) without regard to the residents' ability to pay; or
- 26 (B) in which at least four percent of the retirement community's
27 combined net resident revenue is provided in charitable care to its

- 1 residents;
- 2 (20) providing housing on a cooperative basis to students of an
3 institution of higher education if:
- 4 (A) the organization is exempt from federal income taxation under
5 Section 501(a), Internal Revenue Code of 1986, as amended, by being
6 listed as an exempt entity under Section 501(c)(3) of that code;
- 7 (B) membership in the organization is open to all students
8 enrolled in the institution and is not limited to those chosen by
9 current members of the organization;
- 10 (C) the organization is governed by its members; and
- 11 (D) the members of the organization share the responsibility for
12 managing the housing;
- 13 (21) acquiring, holding, and transferring unimproved real
14 property under an urban land bank demonstration program established
15 under Chapter 379C, Local Government Code, as or on behalf of a land
16 bank;
- 17 (22) acquiring, holding, and transferring unimproved real
18 property under an urban land bank program established under Chapter
19 379E, Local Government Code, as or on behalf of a land bank;
- 20 (23) providing housing and related services to individuals who:
- 21 (A) are unaccompanied and homeless and have a disabling condition;
22 and
- 23 (B) have been continuously homeless for a year or more or have had
24 at least four episodes of homelessness in the preceding three
25 years; [or]
- 26 (24) operating a radio station that broadcasts educational,
27 cultural, or other public interest programming, including

1 classical music, and that in the preceding five years has received
2 or been selected to receive one or more grants from the Corporation
3 for Public Broadcasting under 47 U.S.C. Section 396, as amended; or
4 (25) planting, growing, transplanting, cultivating and
5 maintaining trees that are located or to be located exclusively on
6 public rights-of-way, in public easements, on public school
7 grounds, in public parks, or on other public lands or neighborhood
8 common areas or other areas available for the use and enjoyment of
9 the public.

10 SECTION 2. This Act applies only to ad valorem taxes imposed for a
11 tax year beginning on or after the effective date of this Act.

12 SECTION 3. This Act takes effect September 1, 2015.