

By: Capriglione

H.B. No. 239

A BILL TO BE ENTITLED

AN ACT

relating to the exemption from ad valorem taxation of precious metal held in the Texas Bullion Depository.

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

SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.141 to read as follows:

Sec. 11.141. PRECIOUS METAL HELD IN TEXAS BULLION DEPOSITORY. (a) For purposes of this section, "precious metal" has the meaning assigned by Section 2116.001, Government Code.

(b) A person is entitled to an exemption from taxation of the precious metal that the person owns and that is held in the Texas Bullion Depository established under Chapter 2116, Government Code, regardless of whether the precious metal is held or used by the person for the production of income.

(c) Notwithstanding Section 11.14(c), the governing body of a taxing unit may not provide for the taxation of precious metal exempted from taxation under Subsection (b).

SECTION 2. Section 11.42(b), Tax Code, is amended to read as follows:

(b) An exemption authorized by Section 11.11 or 11.141 is effective immediately on qualification for the exemption.

SECTION 3. Section 11.43(a), Tax Code, is amended to read as follows:

(a) To receive an exemption, a person claiming the

1 exemption, other than an exemption authorized by Section 11.11,  
2 11.12, 11.14, 11.141, 11.145, 11.146, 11.15, 11.16, 11.161, or  
3 11.25 [~~of this code~~], must apply for the exemption. To apply for an  
4 exemption, a person must file an exemption application form with  
5 the chief appraiser for each appraisal district in which the  
6 property subject to the claimed exemption has situs.

7 SECTION 4. Section 11.141, Tax Code, as added by this Act,  
8 applies only to a tax year beginning on or after January 1, 2018.

9 SECTION 5. This Act takes effect January 1, 2018, but only  
10 if the constitutional amendment proposed by the 85th Legislature,  
11 1st Called Session, 2017, authorizing the legislature to exempt  
12 from ad valorem taxation precious metal held in the Texas Bullion  
13 Depository is approved by the voters. If that amendment is not  
14 approved by the voters, this Act has no effect.