

BILL ANALYSIS

H.B. 1626
By: Gutierrez
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties suggest that the current process by which a taxing entity other than school district enters into a tax abatement agreement with an owner of real property in a tax increment financing reinvestment zone is lengthy and burdensome. H.B. 1626 seeks to improve the process by exempting certain abatement agreements from the requirement relating to approval of the agreement by the board of directors of the reinvestment zone and the governing body of each taxing unit that imposes taxes on real property in the reinvestment zone and deposits or agrees to deposit any of its tax increment into the tax increment fund for the zone.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1626 amends the Tax Code to exempt an agreement to abate taxes on real property in a tax increment financing reinvestment zone that is entered into by a taxing unit other than a school district that does not deposit and has not agreed to deposit any of its tax increment into the tax increment fund for the zone from the requirement that an agreement to abate taxes on real property in a reinvestment zone be approved by the board of directors of the reinvestment zone and the governing body of each taxing unit that imposes taxes on real property in the reinvestment zone and deposits or agrees to deposit any of its tax increment into the tax increment fund for the zone.

EFFECTIVE DATE

September 1, 2017.