

House Bill 2999
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Section 11.23(j-1), Tax Code, is amended to read as follows:

(j-1) Medical Center Development in Populous Counties. In a county with a population of 3.3 million or more ~~[described by Section 201.1055(1), Transportation Code]~~, all real and personal property owned by a nonprofit corporation, as that term is defined by Section 22.001, Business Organizations Code, organized exclusively for benevolent, charitable, and educational purposes ~~[in the Texas Non-Profit Corporation Act (Article 1396.1.01 et seq., Vernon's Texas Civil Statutes)]~~, and held for use in the development or operation of a medical center area or areas in which the nonprofit corporation has donated land for a state medical, dental, or nursing school, ~~and~~ for other hospital, medical, educational, research, or nonprofit uses and uses reasonably related to those uses ~~[thereto]~~, for auxiliary uses to support those benevolent, charitable, and educational functions, including the invention, development, and dissemination of materials, tools, technologies, processes, and similar means for translating and applying medical and scientific research for practical applications to advance public health, or for governmental or public purposes, including the relief of traffic congestion, [and not leased or otherwise used with a view to profit], is exempt from all ad valorem taxation [as though the property were, during that time, owned and held by the state for health and educational purposes]. In connection with the application or enforcement of a deed restriction or a covenant related to the property, a use or purpose described in this subsection shall also be considered to be a hospital, medical, or educational use, or a use that is reasonably related to a hospital, medical, or educational use.

SENATE VERSION (IE)

SECTION 1. Section 11.23(j-1), Tax Code, is amended to read as follows:

(j-1) Medical Center Development in Populous Counties. In a county with a population of 3.3 million or more ~~[described by Section 201.1055(1), Transportation Code]~~, all real and personal property owned by a nonprofit corporation, as that term is defined by Section 22.001, Business Organizations Code, organized exclusively for benevolent, charitable, and educational purposes ~~[in the Texas Non-Profit Corporation Act (Article 1396.1.01 et seq., Vernon's Texas Civil Statutes)]~~, and held for use in the development or operation of a medical center area or areas in which the nonprofit corporation has donated land for a state medical, dental, or nursing school, ~~and~~ for other hospital, medical, educational, research, or nonprofit uses and uses reasonably related to those uses ~~[thereto]~~, for auxiliary uses to support those benevolent, charitable, and educational functions, including the invention, development, and dissemination of materials, tools, technologies, processes, and similar means for translating and applying medical and scientific research for practical applications to advance public health, or for governmental or public purposes, including the relief of traffic congestion, [and not leased or otherwise used with a view to profit], is exempt from all ad valorem taxation [as though the property were, during that time, owned and held by the state for health and educational purposes]. In connection with the application or enforcement of a deed restriction or a covenant related to the property, a use or purpose described in this subsection shall also be considered to be a hospital, medical, or educational use, or a use that is reasonably related to a hospital, medical, or educational use. This subsection may not be construed to exempt from taxation any interest in real or

CONFERENCE

House Bill 2999
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION	SENATE VERSION (IE)	CONFERENCE
---------------	---------------------	------------

	<u>personal property, including a leasehold or other possessory interest, of a for-profit lessee of property for which a nonprofit corporation is entitled to an exemption from taxation under this subsection.</u> [FA1(1)]	
--	--	--

No equivalent provision.	Same as House version. SECTION 2. [Deleted by FA1(2)]	
SECTION 2. This Act applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this Act.	SECTION 3. Same as House version.	
SECTION 3. This Act takes effect January 1, 2018.	SECTION 4. Same as House version.	