

By: Sanford

H.B. No. 2359

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the authority of a taxing unit to authorize tax
3 incentives for the development of property for gambling purposes.

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

5 SECTION 1. Section [312.204](#), Tax Code, is amended by adding
6 Subsection (d-1) to read as follows:

7 (d-1) The property subject to a tax abatement agreement made
8 under this section may not be used as a gambling establishment. In
9 this subsection, "gambling establishment" includes:

10 (1) a game room subject to regulation under Subchapter
11 E, Chapter [234](#), Local Government Code;

12 (2) a racetrack as defined by Section [2021.003](#),
13 Occupations Code; or

14 (3) an establishment that conducts a casino game or a
15 game of chance that involves the making of a bet and in which the
16 outcome may be partially determined by skill or ability.

17 SECTION 2. Section [313.024](#), Tax Code, is amended by adding
18 Subsection (b-2) to read as follows:

19 (b-2) To be eligible for a limitation on appraised value
20 under this subchapter, the entity may not use the property as a
21 gambling establishment. In this subsection, "gambling
22 establishment" includes:

23 (1) a game room subject to regulation under Subchapter
24 E, Chapter [234](#), Local Government Code;

1 (2) a racetrack as defined by Section 2021.003,
2 Occupations Code; or

3 (3) an establishment that conducts a casino game or a
4 game of chance that involves the making of a bet and in which the
5 outcome may be partially determined by skill or ability.

6 SECTION 3. (a) The change in law made by this Act to Section
7 312.204, Tax Code, applies to a tax abatement agreement entered
8 into on or after the effective date of this Act. A tax abatement
9 agreement entered into before the effective date of this Act is
10 governed by the law as it existed immediately before the effective
11 date of this Act, and that law is continued in effect for that
12 purpose.

13 (b) The change in law made by this Act to Section 313.024,
14 Tax Code, applies to an agreement for a limitation on appraised
15 value entered into on or after the effective date of this Act. An
16 agreement for a limitation on appraised value entered into before
17 the effective date of this Act is governed by the law as it existed
18 immediately before the effective date of this Act, and that law is
19 continued in effect for that purpose.

20 SECTION 4. This Act takes effect September 1, 2019.