

By: Hall

S.B. No. 1606

A BILL TO BE ENTITLED

AN ACT

relating to payments in lieu of taxes made by certain conservation and reclamation districts on property used as a reservoir.

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

SECTION 1. Subchapter E, Chapter 49, Water Code, is amended by adding Section 49.159 to read as follows:

Sec. 49.159. PAYMENTS IN LIEU OF TAXES. (a) In this section, "reservoir property" means real property owned by a district that is acquired for or used as a reservoir.

(b) A district that owns reservoir property shall pay to the taxing unit in which the reservoir property is located, on or before January 1 of each year, as a payment in lieu of taxes, an amount equal to the ad valorem taxes that would have been imposed for the tax year in which the district acquired the reservoir property on that property by the taxing unit, without including the value of any improvements constructed on the property.

SECTION 2. This Act takes effect September 1, 2019.