

By: Hall

S.B. No. 1617

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility of certain property for certain ad valorem tax incentives if certain renewable energy devices are installed or constructed on the property.

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

SECTION 1. Subchapter A, Chapter 312, Tax Code, is amended by adding Section 312.0022 to read as follows:

Sec. 312.0022. PROHIBITION ON ABATEMENT OF TAXES ON PROPERTY WITH CERTAIN RENEWABLE ENERGY DEVICES INSTALLED OR CONSTRUCTED. (a) In this section:

(1) "Solar energy device" has the meaning assigned by Section 11.27.

(2) "Wind-powered energy device" has the meaning assigned by Section 11.27.

(b) Notwithstanding any other provision of this chapter, an owner or lessee of a parcel of real property that is located wholly or partly in a reinvestment zone may not receive an exemption from taxation of any portion of the value of the parcel of real property or of tangible personal property located on the parcel of real property under a tax abatement agreement under this chapter that is entered into on or after September 1, 2019, if, on or after that date, a solar energy device or wind-powered energy device is installed or constructed on the same parcel of real property. The prohibition provided by this section applies regardless of whether

1 the solar energy device or wind-powered energy device is installed  
2 or constructed at a location that is in the reinvestment zone.

3 SECTION 2. Section 313.024(b), Tax Code, is amended to read  
4 as follows:

5 (b) To be eligible for a limitation on appraised value under  
6 this subchapter, the entity must use the property for:

- 7 (1) manufacturing;
- 8 (2) research and development;
- 9 (3) a clean coal project, as defined by Section 5.001,  
10 Water Code;
- 11 (4) an advanced clean energy project, as defined by  
12 Section 382.003, Health and Safety Code;
- 13 (5) ~~renewable energy electric generation,~~  
14 ~~(6)~~ electric power generation using integrated  
15 gasification combined cycle technology;
- 16 (6) ~~(7)~~ nuclear electric power generation;
- 17 (7) ~~(8)~~ a computer center primarily used in  
18 connection with one or more activities described by Subdivisions  
19 (1) through (6) ~~(7)~~ conducted by the entity; or  
20 (8) ~~(9)~~ a Texas priority project.

21 SECTION 3. Section 313.024(e)(2), Tax Code, is repealed.

22 SECTION 4. The change in law made by this Act applies only  
23 to an agreement entered into under Chapter 313, Tax Code, on or  
24 after the effective date of this Act. An agreement entered into  
25 under that chapter before the effective date of this Act is governed  
26 by the law in effect on the date the agreement was entered into, and  
27 the former law is continued in effect for that purpose.

1 SECTION 5. This Act takes effect September 1, 2019.