

By: Fallon

S.B. No. 1903

A BILL TO BE ENTITLED

AN ACT

relating to the exemption of precious metals held in a depository in this state from ad valorem taxation.

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

SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.35 to read as follows:

Sec. 11.35 PRECIOUS METALS HELD IN DEPOSITORY. (a) Precious metals are exempt from taxation if they are held in a commercial depository in this state.

(b) For the purposes of this section, "precious metals" has the meaning assigned by Section 2116.001, Government Code.

(c) For the purposes of this section, a "commercial depository" is a depository that:

(1) is primarily engaged in the business of providing precious metals storage services to the general public; and,

(2) maintains sufficient insurance to cover the precious metals deposits held within the depository.

(d) The comptroller may adopt rules to implement this section.

SECTION 2. Section 11.43, Tax Code, is amended by amending Subsection (a) to read as follows:

(a) To receive an exemption, a person claiming the exemption, other than an exemption authorized by Section 11.11, 11.12, 11.14, 11.145, 11.146, 11.15, 11.16, 11.161, ~~or~~ 11.25, or

1 11.35 of this code, must apply for the exemption. To apply for an
2 exemption, a person must file an exemption application form with
3 the chief appraiser for each appraisal district in which the
4 property subject to the claimed exemption has situs.

5 SECTION 3. This Act takes effect on the date on which the
6 constitutional amendment proposed by the 86th Legislature, Regular
7 Session, 2019, authorizing the legislature by general law to exempt
8 from ad valorem taxation precious metals held in a depository in
9 this state is approved by the voters. If that amendment is not
10 approved by the voters, this Act has no effect.