87S20065 SMT-D

By:  Murphy H.B. No. 94

A BILL TO BE ENTITLED

AN ACT

relating to requirements for beneficial tax treatment related to a leasehold or other possessory interest in a public facility being developed or used to provide multifamily housing.

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

SECTION 1.  Section 303.042(f), Local Government Code, is amended to read as follows:

(f)  Notwithstanding Subsections (a) and (b) and except as provided by Section 303.0425, during the period of time that a corporation owns a particular public facility, a leasehold or other possessory interest in the real property of the public facility granted by the corporation shall be treated in the same manner as a leasehold or other possessory interest in real property granted by an authority under Section 379B.011(b).

SECTION 2.  Subchapter B, Chapter 303, Local Government Code, is amended by adding Section 303.0425 to read as follows:

Sec. 303.0425.  REQUIREMENTS FOR BENEFICIAL TAX TREATMENT RELATING TO CERTAIN PUBLIC FACILITIES. (a) In this section:

(1)  "Housing choice voucher program" means the housing choice voucher program under Section 8, United States Housing Act of 1937 (42 U.S.C. Section 1437f).

(2)  "Housing facility" means a public facility being developed or used to provide multifamily housing.

(3)  "Housing facility user" means a private developer or other private entity that has a leasehold or other possessory interest in a housing facility.

(b)  Section 303.042(f) applies to a leasehold or other possessory interest in a housing facility granted to a housing facility user only if the housing facility user meets the requirements of this section.

(c)  Section 303.042(f) does not apply to ad valorem taxes imposed by a school district on a leasehold or other possessory interest in a housing facility granted to a housing facility user.

(d)  A housing facility user may not:

(1)  refuse to rent a residential unit in the housing facility to an individual or family because the individual or family participates in the housing choice voucher program; or

(2)  use a financial or minimum income standard that requires an individual or family participating in the housing choice voucher program to have a monthly income of more than 250 percent of the individual's or family's share of the total monthly rent payable for a residential unit.

SECTION 3.  Section 303.0425, Local Government Code, as added by this Act, applies only to a leasehold or other possessory interest in a housing facility granted by a public facility corporation to a housing facility user on or after the effective date of this Act.

SECTION 4.  This Act takes effect on the 91st day after the last day of the legislative session.