87R3973 CJC-D

By:  Springer S.J.R. No. 38

A JOINT RESOLUTION

proposing a constitutional amendment authorizing the legislature to exempt from ad valorem taxation real property leased to certain schools organized and operated primarily for the purpose of engaging in educational functions.

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

SECTION 1.  Section 2(a), Article VIII, Texas Constitution, is amended to read as follows:

(a)  All occupation taxes shall be equal and uniform upon the same class of subjects within the limits of the authority levying the tax; but the legislature may, by general laws, exempt from taxation public property used for public purposes; actual places of religious worship, also any property owned by a church or by a strictly religious society for the exclusive use as a dwelling place for the ministry of such church or religious society, and which yields no revenue whatever to such church or religious society; provided that such exemption shall not extend to more property than is reasonably necessary for a dwelling place and in no event more than one acre of land; any property owned by a church or by a strictly religious society that owns an actual place of religious worship if the property is owned for the purpose of expansion of the place of religious worship or construction of a new place of religious worship and the property yields no revenue whatever to the church or religious society, provided that the legislature by general law may provide eligibility limitations for the exemption and may impose sanctions related to the exemption in furtherance of the taxation policy of this subsection; any property that is owned by a church or by a strictly religious society and is leased by that church or strictly religious society to a person for use as a school, as defined by Section 11.21, Tax Code, or a successor statute, for educational purposes; any real property that is leased to a person for use as a school that operates under a charter granted by the State Board of Education, the commissioner of education, or any other state agency or officer and that is qualified as provided by Section 11.21, Tax Code, or a successor statute; places of burial not held for private or corporate profit; solar or wind-powered energy devices; all buildings used exclusively and owned by persons or associations of persons for school purposes and the necessary furniture of all schools and property used exclusively and reasonably necessary in conducting any association engaged in promoting the religious, educational and physical development of boys, girls, young men or young women operating under a State or National organization of like character; also the endowment funds of such institutions of learning and religion not used with a view to profit; and when the same are invested in bonds or mortgages, or in land or other property which has been and shall hereafter be bought in by such institutions under foreclosure sales made to satisfy or protect such bonds or mortgages, that such exemption of such land and property shall continue only for two years after the purchase of the same at such sale by such institutions and no longer, and institutions engaged primarily in public charitable functions, which may conduct auxiliary activities to support those charitable functions; and all laws exempting property from taxation other than the property mentioned in this Section shall be null and void.

SECTION 2.  The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION.  (a) This temporary provision applies to the constitutional amendment proposed by the 87th Legislature, Regular Session, 2021, authorizing the legislature to exempt from ad valorem taxation real property leased to certain schools organized and operated primarily for the purpose of engaging in educational functions.

(b)  The amendment to Section 2(a), Article VIII, of this constitution takes effect beginning with the tax year that begins January 1, 2022.

(c)  This temporary provision expires January 1, 2023.

SECTION 3.  This proposed constitutional amendment shall be submitted to the voters at an election to be held November 2, 2021. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment authorizing the legislature to exempt from ad valorem taxation real property leased to certain schools organized and operated primarily for the purpose of engaging in educational functions."