

By: Springer

S.J.R. No. 38

A JOINT RESOLUTION

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

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

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

8 (a) All occupation taxes shall be equal and uniform upon the
9 same class of subjects within the limits of the authority levying
10 the tax; but the legislature may, by general laws, exempt from
11 taxation public property used for public purposes; actual places of
12 religious worship, also any property owned by a church or by a
13 strictly religious society for the exclusive use as a dwelling
14 place for the ministry of such church or religious society, and
15 which yields no revenue whatever to such church or religious
16 society; provided that such exemption shall not extend to more
17 property than is reasonably necessary for a dwelling place and in no
18 event more than one acre of land; any property owned by a church or
19 by a strictly religious society that owns an actual place of
20 religious worship if the property is owned for the purpose of
21 expansion of the place of religious worship or construction of a new
22 place of religious worship and the property yields no revenue
23 whatever to the church or religious society, provided that the
24 legislature by general law may provide eligibility limitations for

1 the exemption and may impose sanctions related to the exemption in
2 furtherance of the taxation policy of this subsection; any property
3 that is owned by a church or by a strictly religious society and is
4 leased by that church or strictly religious society to a person for
5 use as a school, as defined by Section 11.21, Tax Code, or a
6 successor statute, for educational purposes; any real property that
7 is leased to a person for use as a school that operates under a
8 charter granted by the State Board of Education, the commissioner
9 of education, or any other state agency or officer and that is
10 qualified as provided by Section 11.21, Tax Code, or a successor
11 statute; places of burial not held for private or corporate profit;
12 solar or wind-powered energy devices; all buildings used
13 exclusively and owned by persons or associations of persons for
14 school purposes and the necessary furniture of all schools and
15 property used exclusively and reasonably necessary in conducting
16 any association engaged in promoting the religious, educational and
17 physical development of boys, girls, young men or young women
18 operating under a State or National organization of like character;
19 also the endowment funds of such institutions of learning and
20 religion not used with a view to profit; and when the same are
21 invested in bonds or mortgages, or in land or other property which
22 has been and shall hereafter be bought in by such institutions under
23 foreclosure sales made to satisfy or protect such bonds or
24 mortgages, that such exemption of such land and property shall
25 continue only for two years after the purchase of the same at such
26 sale by such institutions and no longer, and institutions engaged
27 primarily in public charitable functions, which may conduct

1 auxiliary activities to support those charitable functions; and all
2 laws exempting property from taxation other than the property
3 mentioned in this Section shall be null and void.

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

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

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

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

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