88R7446 TJB-F

By:  Harrison H.B. No. 3083

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from ad valorem taxation of a portion of the appraised value of tangible personal property a person owns that is held or used for the production of income.

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

SECTION 1.  The heading to Section 11.145, Tax Code, is amended to read as follows:

Sec. 11.145.  INCOME-PRODUCING TANGIBLE PERSONAL PROPERTY [~~HAVING VALUE OF LESS THAN $2,500~~].

SECTION 2.  Section 11.145(a), Tax Code, is amended to read as follows:

(a)  A person is entitled to an exemption from taxation of $2,500 of the appraised value of tangible personal property the person owns that is held or used for the production of income [~~if that property has a taxable value of less than $2,500~~].

SECTION 3.  Section 22.01, Tax Code, is amended by adding Subsection (j-1) to read as follows:

(j-1)  A person is required to render tangible personal property the person owns that is held or used for the production of income only if, in the person's opinion, the aggregate market value of the property in at least one taxing unit that participates in the appraisal district is greater than the amount exempted under Section 11.145(a). A person required to render property for taxation under this subsection must render all tangible personal property the person owns that is held or used for the production of income and has taxable situs in the appraisal district. This subsection does not apply to property exempt from taxation under a provision of law other than Section 11.145.

SECTION 4.  This Act applies only to ad valorem taxes imposed for a tax year that begins on or after the effective date of this Act.

SECTION 5.  This Act takes effect January 1, 2024, but only if the constitutional amendment proposed by the 88th Legislature, Regular Session, 2023, to authorize the legislature to exempt from ad valorem taxation a portion of the market value of tangible personal property a person owns that is held or used for the production of income is approved by the voters. If that amendment is not approved by the voters, this Act has no effect.