

By: Harless

H.B. No. 122

A BILL TO BE ENTITLED

AN ACT

relating to the exemption from ad valorem taxation of property owned by certain nonprofit corporations, located in a populous county, and used to promote agriculture, support youth, and provide educational support in the community.

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

SECTION 1. Section 11.23, Tax Code, is amended by adding Subsection (n) to read as follows:

(n) Promotion of Agriculture, Support of Youth, and Provision of Educational Support in Populous Counties. In a county with a population of 3.3 million or more, all real and personal property owned by a nonprofit corporation, as that term is defined by Section 22.001, Business Organizations Code, organized exclusively for charitable, educational, and scientific purposes, and held for use in promoting agriculture, supporting youth, and providing educational support in the community is exempt from all ad valorem taxation. This subsection does not exempt from ad valorem taxation any interest in real or personal property, including a leasehold or other possessory interest, of a for-profit lessee of property for which a nonprofit corporation is entitled to an exemption from taxation under this subsection.

SECTION 2. This Act applies only to an ad valorem tax year that begins on or after the effective date of this Act.

SECTION 3. This Act takes effect January 1, 2026.