

BILL ANALYSIS

Senate Research Center
89S20304 PRL-F

H.B. 23
By: Harless et al. (Bettencourt)
Local Government
8/26/2025
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The bill author informed the House Committee on Ways and Means that the Houston Livestock Show and Rodeo (HLSR) supports the Houston community and promotes agriculture through its annual familyfriendly experiences that educate and entertain the public, showcase western heritage, and support Texas youth. The bill author further informed the committee that HLSR would like to continue to develop its properties to supplement and enhance components of its annual show and to further the overall mission of the organization, but that current law lacks clarity as to how the property tax exemption for nonprofit organizations, such as HLSR, is applied when an organization develops its properties.

H.B. 23 seeks to add that clarity to the law and to promote agriculture, youth initiatives, and educational resources that benefit the state by codifying a property tax exemption for applicable organizations.

H.B. 23 amends current law 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.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 11.23, Tax Code, by adding Subsection (n), as follows:

(n) Promotion of Agriculture, Support of Youth, and Provision of Educational Support in Populous Counties. Provides that, 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 (Definitions), 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. Provides that 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. Makes application of this Act prospective.

SECTION 3. Effective date: January 1, 2026.