

BILL ANALYSIS

H.B. 4044
By: Meyer
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

In 2017, the 85th Texas Legislature enacted legislation establishing that certain costs and expenses incurred by public institutions of higher education and university systems are considered eligible costs and expenses for purposes of the Texas Historic Preservation Tax Credit Program. However, that legislation only made such project costs and expenses eligible for the credit if they were incurred before January 1, 2022. H.B. 4044 seeks to address this issue by establishing that certain costs and expenses incurred by such institutions and systems are once again considered eligible costs and expenses for purposes of the tax credit for the certified rehabilitation of certified historic structures.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 4044 amends the Tax Code to establish that costs and expenses incurred by a public institution of higher education or university system as defined by the Higher Education Coordinating Act of 1965 are considered eligible costs and expenses for purposes of the tax credit for the certified rehabilitation of certified historic structures so long as the costs and expenses satisfy provisions, other than the depreciation and tax-exempt use provisions, of the federal Internal Revenue Code relating to rehabilitation credits. Effective January 1, 2035, the bill removes such institutions and systems from that provision. The bill applies only to costs and expenses incurred on or after the bill's effective date or on or after January 1, 2035, as applicable.

EFFECTIVE DATE

January 1, 2026.