

1-1 By: Harless (Senate Sponsor - Bettencourt) H.B. No. 4580
1-2 (In the Senate - Received from the House May 14, 2025;
1-3 May 14, 2025, read first time and referred to Committee on Local
1-4 Government; May 26, 2025, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 7, Nays 0;
1-6 May 26, 2025, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8 Bettencourt	X			
1-9 Middleton	X			
1-10 Cook	X			
1-11 Gutierrez	X			
1-12 Nichols	X			
1-13 Paxton	X			
1-14 West	X			

1-16 COMMITTEE SUBSTITUTE FOR H.B. No. 4580 By: Paxton

1-17 A BILL TO BE ENTITLED
1-18 AN ACT

1-19 relating to the exemption from ad valorem taxation of property
1-20 owned by certain nonprofit corporations and used to promote
1-21 agriculture, support youth, and provide educational support in the
1-22 community.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 11.23, Tax Code, is amended by adding
1-25 Subsection (n) to read as follows:

1-26 (n) Promotion of Agriculture, Support of Youth, and
1-27 Provision of Educational Support in Populous Counties. In a county
1-28 with a population of 3.3 million or more, all real and personal
1-29 property owned by a nonprofit corporation, as that term is defined
1-30 by Section 22.001, Business Organizations Code, organized
1-31 exclusively for charitable, educational, and scientific purposes,
1-32 and held for use in promoting agriculture, supporting youth, and
1-33 providing educational support in the community is exempt from all
1-34 ad valorem taxation. This subsection does not exempt from ad
1-35 valorem taxation any interest in real or personal property,
1-36 including a leasehold or other possessory interest, of a for-profit
1-37 lessee of property for which a nonprofit corporation is entitled to
1-38 an exemption from taxation under this subsection.

1-39 SECTION 2. This Act applies only to an ad valorem tax year
1-40 that begins on or after the effective date of this Act.

1-41 SECTION 3. This Act takes effect January 1, 2026.

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