

BILL ANALYSIS

Senate Research Center
77R111 JD-D

H.B. 1194
By: Brimer (Harris)
Intergovernmental Relations
5/10/2001
Engrossed

DIGEST AND PURPOSE

Under current law, property in a reinvestment zone that is owned by a member of a zoning planning board or commission of the municipality or a member of the governing body is excluded from property tax abatement or tax increment financing. In the past, there has been some confusion about how to apply this law to a person who owns the property and then is elected to serve on the governing body of the municipality. H.B. 1194 allows property that was subject to a property tax abatement or tax increment financing to remain eligible even if the owner of the property becomes an elected official of a municipality.

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 312.204(d), Tax Code, as follows:

(d) Adds an exception. Provides that property that is subject to a tax abatement agreement in effect when a person becomes a member of the governing body or of the zoning or planning board or commission does not cease to be eligible for property tax abatement under that agreement because of the person's membership on the governing body, board, or commission. Provides that property that is subject to tax increment financing when the person becomes a member of the governing body or of the zoning or planning board or commission does not become ineligible for tax increment financing in the same reinvestment zone because of the person's membership on the governing body, board, or commission.

SECTION 2. Amends Section 312.402(d), Tax Code, to add an exception. Provides that property that is subject to a tax abatement agreement under this section in effect when the person becomes a member of the commissioners court does not cease to be eligible for property tax abatement under that agreement because of the person's membership on the commissioners court.

SECTION 3. Effective date: upon passage or September 1, 2001.