

## **BILL ANALYSIS**

Senate Research Center  
77R5993 SMH-D

H.B. 1449  
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Intergovernmental Relations  
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Engrossed

### **DIGEST AND PURPOSE**

Local governments often use tax abatements to attract new industry and commercial enterprises and to encourage the retention and development of existing businesses. Over 700 tax abatement agreements have been executed by Texas local governments since the early 1980s. Through 1999, these agreements are credited with producing approximately 275,000 new or retained jobs. Under current law, incorporated cities, counties, school districts, and special districts are allowed to enter into tax abatement agreements. In 1995, the legislature reauthorized local governments to continue using property tax abatements until September 1, 2001. H.B. 1449 eliminates the expiration date on these tax abatements.

### **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. Repealer: Section 312.006 (Expiration Date), Tax Code.

Repealer: Section 320.001 (Saving Provision After Expiration of Chapter 312), Tax Code.

SECTION 2. Effective date: upon passage or September 1, 2001.