

- SUBJECT:** Exempting certain TexAmericas Center property from taxation
- COMMITTEE:** Ways and Means — favorable, without amendment
- VOTE:** 9 ayes — Burrows, Guillen, Bohac, Cole, Martinez Fischer, Murphy, Noble, E. Rodriguez, Shaheen
- 0 nays
- 2 absent — Sanford, Wray
- SENATE VOTE:** On final passage, April 17 — 31-0, on Local and Uncontested Calendar
- WITNESSES:** *On House companion bill, HB 2958:*
For — Scott Norton, TexAmericas Center
- Against — None
- BACKGROUND:** Special District Local Laws Code ch. 3503 establishes the TexAmericas Center for the purpose of promoting the location and development of new businesses, industries, and commercial activities at the location of the former Red River Army Depot military base.
- Sec. 3503.154 exempts the property, revenue, and income of the authority and each nonprofit corporation created under the chapter from all taxes imposed by the state or a political subdivision of the state.
- DIGEST:** SB 579 would exempt a leasehold or other possessory interest granted to a person by the TexAmericas Center or by a nonprofit corporation holding title for the TexAmericas Center from property taxation, and such property would be owned, used, and held for a public purpose for and on behalf of the TexAmericas Center.
- The bill would exempt such property from provisions of the Tax Code relating to the listing of such property in the name of the owner of the possessory interest under certain circumstances.

The bill would take effect January 1, 2020, and would apply only to a property tax year beginning on or after that date.

**SUPPORTERS
SAY:**

SB 579 would level the playing field between the TexAmericas Center and other military redevelopment authorities that have greater financial incentives at their disposal to attract businesses and create jobs. Currently, other entities in statute that were created for substantially the same purpose as the TexAmericas Center, namely the Defense Base Redevelopment Authority and Type B Development corporations, are able to classify property that they lease as exempt from certain property taxes. This bill would extend to the TexAmericas Center the same tax benefits already enjoyed by those other entities, helping it attract new businesses and commercial activity to the area.

**OPPONENTS
SAY:**

No concerns identified.