

BILL ANALYSIS

Senate Research Center

H.B. 1526
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Economic Development
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Engrossed

DIGEST

Currently, taxing units that grant tax abatements must report such activity to both the Texas Department of Commerce (TDOC) and the Comptroller of Public Accounts (comptroller). Additionally, TDOC is responsible for maintaining the state's reinvestment zone registry. Critics of the present system argue that reporting to both the TDOC and the comptroller is duplicative and unnecessary. This legislation transfers the reinvestment zone registry from the TDOC to the comptroller and eliminates the requirement that local taxing units report tax abatement activity to the TDOC. H.B. 1526 also authorizes the comptroller to assist local taxing units to comply with the reporting requirement and, and allows both TDOC and the comptroller to provide certain technical assistance to taxing units that grant tax abatements.

PURPOSE

As proposed, H.B. 1526 provides for information and assistance concerning reinvestment zones.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 312.005, Tax Code, to require the comptroller, rather than the Texas Department of Commerce (TDOC), to maintain a central registry of reinvestment zones and of ad valorem tax abatement agreements. Authorizes TDOC and the comptroller to provide technical assistance to a local governing body regarding the designation of reinvestment zones, the adoption of tax abatement guidelines, and the execution of tax abatement agreements. Makes conforming changes.

SECTION 2. Effective date: September 1, 1997.

SECTION 3. Emergency clause.