

BILL ANALYSIS

Senate Research Center
84R5868 CJC-D

S.J.R. 30
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Finance
3/2/2015
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under the current Tax Code, land that is leased to certain schools remains subject to property tax even if the land is used for educational or school-related purposes.

S.J.R. 30 is the companion constitutional amendment to S.B. 545, which amends Chapter 11 of the Tax Code by adding the newly created Section 11.211 (Real Property Leased To Certain Schools), to include a property tax exemption for real property leased to certain schools that are used exclusively by the school for educational functions and are necessary for the operation of the school.

S.J.R. 30 amends Section 2(1), Article VIII of the Texas Constitution to constitutionally allow for a property tax exemption for real property leased for use as a school, as defined by the Tax Code or any successor statute, for educational purposes.

Under the temporary provision section of S.J.R. 30, if approved by the legislature and the voters during a constitutional amendment election, the effective date of S.J.R. 30 begins with the tax year beginning January 1, 2016.

S.J.R. 30 proposes a constitutional amendment authorizing the legislature to exempt from ad valorem taxation real property leased to certain schools organized and operated primarily for the purpose of engaging in educational functions.

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 2(a), Article VIII, Texas Constitution, to authorize the legislature by general laws to exempt from taxation any real property that is leased to a person for use as a school, as defined by Section 11.21 (Schools), Tax Code, or a successor statute, for educational purposes.

SECTION 2. Adds the following temporary provision to the Texas Constitution:

TEMPORARY PROVISION. (a) Provides that this temporary provision applies to the constitutional amendment proposed by the 84th Legislature, Regular Session, 2015, authorizing the legislature to exempt from ad valorem taxation real property leased to certain schools organized and operated primarily for the purpose of engaging in educational functions.

(b) Provides that the amendment to Section 2(a), Article VIII, of this constitution takes effect beginning with the tax year that begins January 1, 2016.

(c) Provides that this temporary provision expires January 1, 2017.

SECTION 3. Requires the proposed constitutional amendment be submitted to the voters at an election to be held November 3, 2015. Sets forth the required language of the ballot.