

BILL ANALYSIS

Senate Research Center

H.B. 1186
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Finance
7/31/2017
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Legislature established a process for the Dallas County Utility and Reclamation District (district) to enter into tax abatement agreements that established specific tax rate minimums for both commercial and multi-family development within the district's jurisdiction. In 2007, the legislature subsequently created a tax exemption for single-family residential property owners. There are concerns, however, that many property owners do not fully understand the requirements to claim the exemption, specifically the requirement to annually file a request for the exemption. It is in the best interest of the district's taxpayers and is consistent with the spirit of the tax abatement law for the district's tax collector to be authorized to file the annual exemption request on behalf of these property owners with the chief appraiser.

H.B. 1186 addresses this issue. (Original Author's / Sponsor's Statement of Intent)

H.B. 1186 amends current law relating to the procedure for claiming an exemption from ad valorem taxation by the Dallas County Utility and Reclamation District of certain property subject to a tax abatement agreement with the district and to the validation of certain actions of the district.

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 4B, Chapter 628, Acts of the 68th Legislature, Regular Session, 1983, by adding Subdivision (16), to authorize the tax assessor-collector for the Dallas County Utility and Reclamation District (district) or a person designated by the tax assessor-collector, if the district enters into a tax abatement agreement with the owner of single-family residential property to exempt a portion of the taxable value of the property from taxation as authorized, to file an application for the exemption on behalf of the property owner with the chief appraiser for the appraisal district in which the property is located.

SECTION 2. (a) Provides that all governmental and proprietary actions of the district taken before the effective date of this Act are validated, ratified, and confirmed in all respects as if the actions had been taken as authorized by law.

(b) Provides that this section does not apply to any matter that on the effective date of this Act:

- (1) is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment; or
- (2) has been held invalid by a final court judgment.

SECTION 3. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. Effective date: upon passage or September 1, 2017.