

BILL ANALYSIS

Senate Research Center

S.B. 1711
By: Van de Putte
Intergovernmental Relations
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DIGEST AND PURPOSE

Under current law, municipalities and counties are able to offer tax abatement incentives to owners of certain types of real property in a reinvestment zone. However, they are unable to offer the same tax abatement incentives to lessees of such property. Tax abatement can be a useful tool in stimulating economic investment and development. As proposed, S.B. 1711 allows municipalities and counties to offer tax abatement incentives to lessees of certain types of real property located in a reinvestment zone.

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 312.204, Tax Code, to authorize the governing body of certain municipalities to agree in writing with the owner or lessee of real property (rather than taxable real property) that is located in a reinvestment zone, but that is not in an improvement project financed by tax increment bonds, to exempt from taxation certain properties under certain conditions. Makes a conforming change.

SECTION 2. Amends Section 312.206, Tax Code, to make conforming changes.

SECTION 3. Amends Section 312.210(b), Tax Code, to make conforming changes.

SECTION 4. Amends Section 312.402(a), Tax Code, to make conforming changes.

SECTION 5. Effective date: September 1, 2001.