

BILL ANALYSIS

Senate Research Center
84R7003 LEH-D

S.B. 918
By: Nichols
Finance
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, veterans organizations exemptions are listed under Section 11.23(a) (relating to miscellaneous exemptions regarding veterans organizations), Tax Code and require an annual application for property tax exemption.

Most of these miscellaneous exemptions require an annual application except for Section 11.23(h) (County Fair Associations), 11.23(j) (Medical Center Development), and 11.23(j-1) (Medical Center Development in Populous Counties).

The annual application for veterans organizations, such as the American Legion and Veterans of Foreign Wars (VFWs), can be an unnecessary hardship on these organizations whose executive board typically changes annually.

These organizations not only support and provide camaraderie for veterans and those currently serving in the military, but they also assist veterans widows, orphans and the dependents of needy and disabled veterans, as well as promote Americanism by means of education in patriotism and by service to their local communities.

Current law requires veterans organizations to file annually for property tax exemption. S.B. 918 allows veterans organizations to be added to the list of exemptions that are not required to file a new application unless the property ownership changes, the use changes, or the chief appraiser requests a new application.

As proposed, S.B. 918 amends current law relating to the procedure for claiming an exemption from ad valorem taxation of the property of a veteran's organization.

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 11.43(c), Tax Code, to add Section 11.23(a) (relating to property tax exemptions for a veteran's organization) to a list of exemptions that once allowed, need not be claimed in subsequent years, and except as otherwise provided by Subsection (e) (relating to timely exemption applications), the exemption applies to the property until it changes ownership or the person's qualification for the exemption changes.

SECTION 2. Provides that this Act applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this Act.

SECTION 3. Effective date: January 1, 2016.