

By: Campbell, et al.

S.B. No. 277

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the eligibility of certain property for certain ad
3 valorem tax incentives relating to wind-powered energy devices.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. (a) The legislature finds that:

6 (1) the Texas Military Preparedness Commission has
7 found that military installations located in this state generate
8 \$136 billion in economic activity each year and directly or
9 indirectly contribute to the existence of almost 900,000 jobs;

10 (2) military aviation facilities in this state are of
11 vital importance to the security of this state and the nation and
12 are an integral part of this state's economy;

13 (3) the area surrounding a military aviation facility
14 is sensitive to security concerns and requires special attention by
15 this state:

16 (4) wind-powered energy devices and wind energy are
17 important components of this state's production of electricity; and

18 (5) the United States Department of Defense uses the
19 base realignment and closure process to reorganize the department's
20 base structure and has used the process to close more than 350
21 military bases since 1988.

22 (b) This Act is for the purposes of:

23 (1) promoting the public health, safety, and general
24 welfare of this state;

15 (4) ensuring that an owner of property on which
16 wind-powered energy devices were constructed, or were under
17 construction, before September 1, 2017, and that is located in
18 close proximity to the boundaries of a military aviation facility
19 continues to be eligible to receive tax benefits under Chapter 312
20 or 313, Tax Code; and

21 (5) allowing an owner of property located in close
22 proximity to the boundaries of a military aviation facility to
23 continue to allow the installation or construction of wind-powered
24 energy devices on that property in the event the owner elects not to
25 seek tax benefits for that property under Chapter 312 or 313, Tax
26 Code.

27 (c) This Act may not be construed as limiting the ability of

1 a person to receive a tax benefit under Chapter 312 or 313, Tax
2 Code, for property that the person owns and on which a wind-powered
3 energy device is installed or constructed other than under the
4 conditions relating to the proximity of that property to a military
5 aviation facility as expressly provided by this Act.

6 SECTION 2. Subchapter A, Chapter 312, Tax Code, is amended
7 by adding Section 312.0021 to read as follows:

8 Sec. 312.0021. PROHIBITION ON ABATEMENT OF TAXES ON CERTAIN
9 PROPERTY NEAR MILITARY AVIATION FACILITY. (a) In this section:

10 (1) "Military aviation facility" means a base,
11 station, fort, or camp at which fixed-wing aviation operations or
12 training is conducted by the United States Air Force, the United
13 States Air Force Reserve, the United States Army, the United States
14 Army Reserve, the United States Navy, the United States Navy
15 Reserve, the United States Marine Corps, the United States Marine
16 Corps Reserve, the United States Coast Guard, the United States
17 Coast Guard Reserve, or the Texas National Guard.

18 (2) "Wind-powered energy device" has the meaning
19 assigned by Section 11.27.

20 (b) Notwithstanding any other provision of this chapter, an
21 owner or lessee of a parcel of real property that is located wholly
22 or partly in a reinvestment zone may not receive an exemption from
23 taxation of any portion of the value of the parcel of real property
24 or of tangible personal property located on the parcel of real
25 property under a tax abatement agreement under this chapter that is
26 entered into on or after September 1, 2017, if, on or after
27 September 1, 2017, a wind-powered energy device is installed or

1 constructed on the same parcel of real property at a location that
2 is within 25 nautical miles of the boundaries of a military aviation
3 facility located in this state. The prohibition provided by this
4 section applies regardless of whether the wind-powered energy
5 device is installed or constructed at a location that is in the
6 reinvestment zone.

7 SECTION 3. Section 313.024, Tax Code, is amended by adding
8 Subsection (b-1) to read as follows:

9 (b-1) Notwithstanding any other provision of this
10 subchapter, an owner of a parcel of land that is located wholly or
11 partly in a reinvestment zone, a new building constructed on the
12 parcel of land, a new improvement erected or affixed on the parcel
13 of land, or tangible personal property placed in service in the
14 building or improvement or on the parcel of land may not receive a
15 limitation on appraised value under this subchapter for the parcel
16 of land, building, improvement, or tangible personal property under
17 an agreement under this subchapter that is entered into on or after
18 September 1, 2017, if, on or after September 1, 2017, a wind-powered
19 energy device is installed or constructed on the same parcel of land
20 at a location that is within 25 nautical miles of the boundaries of
21 a military aviation facility located in this state. The
22 prohibition provided by this subsection applies regardless of
23 whether the wind-powered energy device is installed or constructed
24 at a location that is in the reinvestment zone.

25 SECTION 4. Section 313.024(e), Tax Code, is amended by
26 adding Subdivisions (8) and (9) to read as follows:

27 (8) "Military aviation facility" has the meaning

1 assigned by Section 312.0021.

2 (9) "Wind-powered energy device" has the meaning

3 assigned by Section 11.27.

4 SECTION 5. Section 312.0021, Tax Code, as added by this Act,
5 and Section 313.024, Tax Code, as amended by this Act, apply only to
6 ad valorem taxes imposed for a tax year beginning on or after
7 January 1, 2018.

8 SECTION 6. This Act takes effect January 1, 2018.