

1-1 By: Bettencourt S.B. No. 1427
 1-2 (In the Senate - Filed March 10, 2021; March 18, 2021, read
 1-3 first time and referred to Committee on Local Government;
 1-4 April 21, 2021, reported favorably by the following vote: Yeas 9,
 1-5 Nays 0; April 21, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the applicability of the temporary exemption from ad
 1-20 valorem taxation of a portion of the appraised value of certain
 1-21 property damaged by a disaster.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 SECTION 1. Sections 11.35(a) and (g), Tax Code, are amended
 1-24 to read as follows:

1-25 (a) In this section:

1-26 (1) "Damage" means physical damage.

1-27 (2) "Qualified" property means property

1-28 that:

1-29 (A) ~~(1)~~ consists of:

1-30 (i) ~~(A)~~ tangible personal property used
 1-31 for the production of income;

1-32 (ii) ~~(B)~~ an improvement to real property;

1-33 or

1-34 (iii) ~~(C)~~ a manufactured home as that
 1-35 term is defined by Section 1201.003, Occupations Code, that is used
 1-36 as a dwelling, regardless of whether the owner of the manufactured
 1-37 home elects to treat the manufactured home as real property under
 1-38 Section 1201.2055, Occupations Code;

1-39 (B) ~~(2)~~ is located in an area declared by the
 1-40 governor to be a disaster area following a disaster;

1-41 (C) ~~(3)~~ is at least 15 percent damaged by the
 1-42 disaster, as determined by the chief appraiser under this section;
 1-43 and

1-44 (D) ~~(4)~~ for property described by Paragraph
 1-45 (A)(i) [~~Subdivision (1)(A)~~], is the subject of a rendition
 1-46 statement or property report filed by the property owner under
 1-47 Section 22.01 that demonstrates that the property had taxable situs
 1-48 in the disaster area for the tax year in which the disaster
 1-49 occurred.

1-50 (g) The chief appraiser shall assign to an item of qualified
 1-51 property:

1-52 (1) a Level I damage assessment rating if the property
 1-53 is at least 15 percent, but less than 30 percent, damaged, meaning
 1-54 that the property suffered minimal damage and may continue to be
 1-55 used as intended;

1-56 (2) a Level II damage assessment rating if the
 1-57 property is at least 30 percent, but less than 60 percent, damaged,
 1-58 which, for qualified property described by Subsection
 1-59 (a)(2)(A)(ii) or (iii) [~~(a)(1)(B) or (C)~~], means that the property
 1-60 has suffered only nonstructural damage, including nonstructural
 1-61 damage to the roof, walls, foundation, or mechanical components,

2-1 and the waterline, if any, is less than 18 inches above the floor;
2-2 (3) a Level III damage assessment rating if the
2-3 property is at least 60 percent damaged but is not a total loss,
2-4 which, for qualified property described by Subsection
2-5 (a)(2)(A)(ii) or (iii) [~~(a)(1)(B) or (C)~~], means that the property
2-6 has suffered significant structural damage requiring extensive
2-7 repair due to the failure or partial failure of structural
2-8 elements, wall elements, or the foundation, or the waterline is at
2-9 least 18 inches above the floor; or

2-10 (4) a Level IV damage assessment rating if the
2-11 property is a total loss, meaning that repair of the property is not
2-12 feasible.

2-13 SECTION 2. The amendment made by this Act is a clarification
2-14 of existing law and does not imply that existing law may be
2-15 construed as inconsistent with the law as amended by this Act.

2-16 SECTION 3. This Act takes effect immediately if it receives
2-17 a vote of two-thirds of all the members elected to each house, as
2-18 provided by Section 39, Article III, Texas Constitution. If this
2-19 Act does not receive the vote necessary for immediate effect, this
2-20 Act takes effect September 1, 2021.

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