

THE SENATE OF THE STATE OF TEXAS

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CAPITOL OFFICE

P.O. BOX 12068
AUSTIN, TEXAS 78711
512/463-0111
FAX: 512/475-3727
MIKE.JACKSON@SENATE.STATE.TX.US

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OPINION COMMITTEE

MIKE JACKSON

May 10, 2011

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RQ-0970-GA

The Honorable Greg Abbott
Attorney General of the State of Texas
Attn: Nancy Fuller
Opinions Committee
P. O. Box 12548
Austin, Texas 78711

Dear Attorney General Abbott:

I would like to take this opportunity to request an Attorney General's opinion regarding whether local Boards of Realtors qualify to use the property tax exemption for chambers of commerce created during the 81st Legislative Session in House Bill 770 authored by Representative Donna Howard.

My original intent of this exemption amended to House Bill 770 was for our chambers of commerce to spend money on local economic development initiatives rather than property taxes. Since chambers are primarily financed by membership dues, I believe that these businesses are essentially paying property taxes twice. The bill narrowly defines "nonprofit community business organizations" as an organization:

- 1) That has been in existence for at least five years;
- 2) That has been organized and registered as a nonprofit corporation and a 501(c)(6);
- 3) That has not operated as a statewide organization;
- 4) That has maintained a dues paying membership of at least 50 members for the last three years;
- 5) And, has a member-elected board of directors that are not compensated and is engage in promoting local economic development.

Several appraisal districts around the state, such as Kerrville, have encountered local realtor boards applying for this exemption and therefore, I would like to seek clarification on this matter.

Your attention to this matter is greatly appreciated. Please do not hesitate to contact Holly Deshields in my Capitol Office if you have any questions regarding this request.

Sincerely,



Mike Jackson
State Senator
District 11

cc: Mr. Fourth Coates, Kerrville Central Appraisal District
Mr. Daniel Gonzalez, Texas Association of Realtors

PEARLAND DISTRICT OFFICE

2225 CR 90, SUITE 107
PEARLAND, TEXAS 77584
281/485-3117
FAX: 281/485-3115
DIAL 711 FOR RELAY CALLS



SENATE DISTRICT 11

PASADENA DISTRICT OFFICE

1109 FAIRMONT PARKWAY
PASADENA, TEXAS 77504
713/948-0111
FAX: 713/948-0004