

TAX CODE

TITLE 3. LOCAL TAXATION

SUBTITLE B. SPECIAL PROPERTY TAX PROVISIONS

CHAPTER 312. PROPERTY REDEVELOPMENT AND TAX ABATEMENT ACT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 312.001. SHORT TITLE. This chapter may be cited as the Property Redevelopment and Tax Abatement Act.

Added by Acts 1987, 70th Leg., ch. 191, Sec. 1, eff. Sept. 1, 1987.

Sec. 312.002. ELIGIBILITY OF TAXING UNIT TO PARTICIPATE IN TAX ABATEMENT. (a) A taxing unit may not enter into a tax abatement agreement under this chapter and the governing body of a municipality or county may not designate an area as a reinvestment zone unless the governing body has established guidelines and criteria governing tax abatement agreements by the taxing unit and a resolution stating that the taxing unit elects to become eligible to participate in tax abatement. The guidelines applicable to property other than property described by Section [312.211](#)(a) must provide for the availability of tax abatement for both new facilities and structures and for the expansion or modernization of existing facilities and structures.

(b) The governing body of a taxing unit may not enter into a tax abatement agreement under this chapter unless it finds that the terms of the agreement and the property subject to the agreement meet the applicable guidelines and criteria adopted by the governing body under this section.

(c) The guidelines and criteria adopted under this section are effective for two years from the date adopted. During that period, the guidelines and criteria may be amended or repealed

only by a vote of three-fourths of the members of the governing body.

(c-1) Before the governing body of a taxing unit may adopt, amend, repeal, or reauthorize guidelines and criteria, the body must hold a public hearing regarding the proposed adoption, amendment, repeal, or reauthorization at which members of the public are given the opportunity to be heard.

(c-2) A taxing unit that maintains an Internet website shall post the current version of the guidelines and criteria governing tax abatement agreements adopted under this section on the website.