

# THE SENATE OF THE STATE OF TEXAS

## COMMITTEES

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AGRICULTURE & RURAL AFFAIRS  
BUSINESS & COMMERCE  
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**MAY 12 2011**

**OPINION COMMITTEE**

**MIKE JACKSON**

May 10, 2011

FILE # M2-46748-11  
I.D. # 46748

**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

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DIAL 711 FOR RELAY CALLS



SENATE DISTRICT 11

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