

STATE OF TEXAS

AN ORDINANCE OF THE CITY OF SEGUIN, TEXAS, ADOPTING A 100% PROPERTY TAX EXEMPTION FOR QUALIFYING CHILD-CARE FACILITIES AS AUTHORIZED UNDER TEXAS TAX CODE SECTION 11.36 AND ARTICLE VIII, SECTION 1-R OF THE TEXAS CONSTITUTION; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Texas Legislature enacted Senate Bill 1145, which amended the Tax Code to allow a property tax exemption for certain child-care facilities, as codified in Texas Tax Code Section 11.36; and

WHEREAS, the voters of the State of Texas approved Proposition 2 on November 7, 2023, amending Article VIII, Texas Constitution, by adding Section 1-r to authorize as valorem tax exemptions for child-care facilities; and

WHEREAS, the City Council of the City of Seguin recognizes the importance of having local, quality child-care services and the economic challenges faced by child-care providers within the City; and

WHEREAS, an exemption of 100% of the appraised value of all or a portion of the real property used to operate a qualifying child-care facility is in the public interest.

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS;

SECTION ONE. The findings and recitations in the preamble of this ordinance are found to be true and are incorporated herein by reference.

SECTION TWO. For the purposes of this ordinance, the terms, “child-care facility” and “qualifying child-care facility” shall have the meanings ascribed to them in Texas Tax Code Section 11.36.

SECTION THREE. Pursuant to the authority granted by the Texas Tax Code Section 11.36 and Article VIII, Section 1-r of the Texas Constitution, the City of Seguin hereby adopts a property tax exemption for qualifying child-care facilities. Qualifying persons are eligible for an exemption from ad valorem taxation at 100 percent of the appraised value of:

- (A) The real property that a person owns and operates as a qualifying child-care facility; or
- (B) The portion of the real property that a person owns and leases to a person who uses the property to operate a qualifying child-care facility.

SECTION FOUR. The property tax exemption adopted by this ordinance is subject to the limitations and requirements of Texas Tax Code Section 11.36.

SECTION FIVE. A person may not claim the child-care facility exemption for a property if the person also claims a Texas Tax Code Section 11.13 residents homestead exemption on the property or leases any part of the property to another for use as a principal residence.

SECTION SIX. The exemption adopted by this ordinance applies to the tax year beginning January 1, 2024.

SECTION SEVEN. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of the conflict.

SECTION EIGHT. If any provision of this ordinance or the application thereof to any person or circumstance is found to be invalid or unconstitutional, such invalidity shall not affect other provisions or applications of this ordinance.

SECTION NINE. This ordinance shall become effective immediately upon its passage and approval.

PASSED AND APPROVED on the ____ day of _____, 2024.

Donna Dodgen, Mayor

ATTEST:

Kristin Muller, City Secretary

APPROVED AS TO LEGAL FORM:

Mark Kennedy, City Attorney