Overview of Law, Bylaws, and Guidance for Committee Members
Tax Relief for Pollution Control Property Advisory Committee
Texas Commission on Environmental Quality

This written overview is provided as a reference for the committee’s February 22, 2019 meeting. The verbal overview presented during the meeting will be supplemented by TCEQ staff and other committee members, as necessary.

Law and Regulations for Tax Relief for Pollution Control Property

- The Texas Constitution\(^1\) says, “The legislature by general law \textit{may} exempt from ad valorem taxation all or part of real and personal property used, constructed, acquired, or installed wholly or partly to meet or exceed rules or regulations adopted by any environmental protection agency of the United States, this state, or a political subdivision of this state for the prevention, monitoring, control, or reduction of air, water, or land pollution … that would otherwise be taxable for the first time on or after January 1, 1994.”

- Statutes\(^2\) allow a property tax exemption of all or part of real and personal property owned and used wholly or partly as a facility, device, or method for pollution control.

- TCEQ administers this tax relief in compliance with regulations.\(^3\)

- Property owners with “positive use determinations”\(^4\) from TCEQ must also file an application for tax exemption\(^5\) on the appropriate form\(^6\) with the appraisal district.

Expectation of Committee Members

- Section 11.31(n) requires a permanent advisory committee “to advise the commission regarding the implementation of this section.” The committee has previously interpreted this purpose to include advice to revise regulations, guidance, and other general matters but exclude any discussion or advice regarding specific applications.

- Committee bylaws provide:
  - Purpose – The purpose of the committee is to advise the TCEQ Commissioners “on matters relating to property tax exemptions for pollution control property.”\(^7\)
  - Term – Appointed by and serve at the pleasure of the Commission with staggered four-year terms and may be reappointed.\(^8\)
  - Attendance – If a member misses three consecutive regularly scheduled meetings or more than half of all of the regularly scheduled meetings in a one-year period, that member automatically vacates his or her position on the Committee.\(^9\) Meetings will be held quarterly or at the call of the Presiding Officer or the Commissioners.\(^10\) As absentee votes are allowed by telephone or other acceptable technology,\(^11\) participation by phone is considered attendance.

---

\(^1\) Article 8, Section 1-1, Texas Constitution
\(^2\) Section 11.31, Texas Property Tax Code
\(^3\) Title 30, Part I, Chapter 17 of the Texas Administrative Code
\(^4\) Determination by TCEQ indicating the property in the application qualifies for tax exemption
\(^5\) Section 11.43, Texas Property Tax Code
\(^6\) Form 50-248, Texas Comptroller of Public Accounts
\(^7\) Article 1.1, Bylaws of Committee
\(^8\) Article 2.2, Bylaws of Committee
\(^9\) Article 2.4, Bylaws of Committee
\(^10\) Article 4.1, Bylaws of Committee
\(^11\) Articles 3.2 and 5.4, Bylaws of Committee