

Advice to TCEQ Regarding Tax Relief for Pollution Control Property Law and Regulations
By TCEQ Tax Relief for Pollution Control Property Advisory Committee

Background

TCEQ is required by law¹ and regulation² to conduct a review at least every three years of:

- Nonexclusive List in Tax Code §11.31(k) and Figure: 30 TAC §17.17(b); and
- Tier I Table in Figure: 30 TAC §17.14(a).

During a September 10, 2021 public meeting of the TCEQ Tax Relief for Pollution Control Property Advisory Committee, TCEQ staff explained the Commission last met its obligation to complete the triennial review in December 2020, and the next review is anticipated to be completed by December 2023. Staff requested any such advice be submitted from the Committee by December 2022. The Committee requested from staff a list of common items in Tier II applications over the past three years that received positive use determinations as pollution control property. Staff complied with this request on December 22 and provided a triennial review summary. The Committee began its triennial review on November 12 and further included it on 2022 public meeting agendas for March 25, May 13, August 19, and November 10. The public was encouraged to submit relevant input to the Committee. On November 10, 2022, the Committee voted ___ - ___ in favor of the advice provided below.

Advice

In compliance with the Committee's legal obligation³ "to advise the commission regarding the implementation of this section" (Tax Code §11.31), the Committee submits the following advice before the requested deadline.

1. No change to the Nonexclusive List in Tax Code §11.31(k) and Figure: 30 TAC §17.17(b); and
2. Add the following item to the Tier I Table in Figure: 30 TAC §17.14(a).

No.	Media	Property	Description	%
A- (number to be assigned by TCEQ)	Air	Amine regeneration system (pollution control portion)	Equipment to handle the used amine before regeneration (excludes equipment that regenerates the amine).	100

Respectfully submitted November __, 2022 on behalf of the Committee,

Bob Adair

Chair, TCEQ Tax Relief for Pollution Control Property Advisory Committee

Members of the TCEQ Tax Relief for Pollution Control Property Advisory Committee

¹ Texas Tax Code §11.31(l)

² 30 TAC §17.14(b)

³ Texas Tax Code §11.31(n)

As of November 10, 2022

Representing Industry:

Bob Adair, representing Texas Oil and Gas Association
Michelle Carder, representing Texas Chemical Council
Justin Hyland, representing Association of Electric Companies of Texas
Martha Landwehr, representing Texas Association of Manufacturers
Greg Maxim, with Cummings Westlake LLC
Mike Nasi, representing Clean Coal Technology Foundation

Representing Appraisal Districts:

Roland Bieber, retired Chief Appraiser for Jefferson County Appraisal District
Hugh Landrum, Jr., with Hugh L. Landrum & Associates, Inc.

Representing a School District or Junior College District:

Lloyd Graham, Retired Superintendent of the La Porte Independent School District

Representing Taxing Units:

Adam Haynes, with the Texas Conference of Urban Counties
Bill Longley, with the Texas Municipal League

Representing the Environmental Group:

Cyrus Reed, PhD, with the Sierra Club

Independent Technical Expert:

Charles Allred, an independent contractor

The Committee was appointed in compliance with Texas Tax Code §11.31(n), which states:

The Texas Commission on Environmental Quality shall establish a permanent advisory committee consisting of representatives of industry, appraisal districts, taxing units, and environmental groups, as well as members who are not representatives of any of those entities but have substantial technical expertise in pollution control technology and environmental engineering, to advise the commission regarding the implementation of this section. At least one member of the advisory committee must be a representative of a school district or junior college district in which property is located that is or previously was subject to an exemption under this section. Chapter 2110, Government Code, does not apply to the size, composition, or duration of the advisory committee.

Approximately half of the Committee is appointed/reappointed every two years to four-year terms. Current terms expire December 31 of 2023 and 2025.