

ORDINANCE NO. _____

AN ORDINANCE ESTABLISHING AN EXEMPTION FROM AD VALOREM TAXES FOR QUALIFYING CHILD-CARE FACILITY PROPERTIES FOR THE CITY OF FORT WORTH; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE

WHEREAS, Texas Proposition 2 was approved on November 7, 2023, and amended the Texas Constitution to allow the Legislature to authorize an exemption from taxation of at least 50% of the appraised value of qualifying child-care facilities. In the 88th legislative session, the Legislature passed and the Governor signed into law, Senate Bill 1145, which added a new section to Chapter 11 of the Texas Tax Code (Section 11.36) and allowed the governing body of a municipality to exempt from ad valorem taxation all or part of, but not less than 50%, of the appraised value of real property a person owns and operates, or leases to a person who operates, as a qualifying child-care facility; and

WHEREAS, it is now the desire of the Fort Worth City Council to exempt a percentage of the appraised value of qualifying child-care facilities.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS:

1. The Fort Worth City Council hereby adopts an exemption, as authorized by and pursuant to Texas Tax Code Section 11.36, entitling qualifying persons to an exemption from taxation by the City of Fort Worth of one hundred percent (100%) of the appraised value of:

- a. The real property the person owns and operates as a Qualifying Child-care Facility as that term is defined in Texas Tax Code Section 11.36; or
- b. The portion of the real property that the person owns and leases to a person who uses the property to operate a Qualifying Child-care Facility as that term is defined in Texas Tax Code Section 11.36.

2. As outlined in Texas Tax Code Section 11.36, a person cannot claim the Child-care Facility exemption on property they own and lease to another to operate a Qualifying Child-care Facility if the person also claims a Texas Tax Code Section 11.13 residence homestead exemption on the property or leases any part of the property to another for use as a principal residence.

3. Should any part, portion, section, or part of a section of this ordinance be declared invalid or inoperative or void for any reason by a court of competent jurisdiction, such decision, opinion, or judgment shall in no way affect the remaining portions, parts, sections, or parts of sections of this ordinance, which provision shall be, remain, and continue to be in full force and effect.

4. This ordinance shall take effect upon its passage and will apply to the ad valorem tax levies commencing with the year 2024.

**APPROVED AS TO FORM AND
LEGALITY:**

CITY SECRETARY:

John B. Strong
Senior Assistant City Attorney

Jannette S. Goodall
City Secretary

Adopted and Effective: May 14, 2024