DON’T TAX US, WE’RE EXEMPT

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August 19-20, 2010
Austin

CHAPTER 9

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I. INTRODUCTION.

Real and tangible personal property that the State of Texas has jurisdiction to tax is taxable unless exempt by law. Texas Tax Code Sec. 11.01.

Recognition of exemption under IRC Sec. 501(c)(3) does not automatically translate into property tax exemption under the Texas Tax Code. To obtain a property tax exemption, the exempt organization must:

- Be a qualified organization as set forth in a section of the Texas Tax Code;
- Own the type of property that is specified as exempt;¹ and
- Make proper application for the property to be exempt.

A failure to meet any of these requirements may result in loss of exemption and taxation.

There is not a single definition of exempt organizations that tries to cover all organizations that are intended to be exempt, much like IRC Section 501(c)(3) does. Rather the Texas Tax Code has an exemption for Charitable Organizations that is mostly a list of types of charitable organizations by function, and for religious organizations and for schools. These will be discussed in that order.

II. CHARITABLE ORGANIZATIONS.

To obtain an exemption from property taxes most tax exempt organizations, other than churches and schools, must meet the specific requirements that are set forth in Sec. 11.18,² entitled “Charitable Organizations.” To obtain an exemption the organization must be a qualified charitable organization, as provided under that section of the code.

A. Qualified charitable organizations.

A qualified charitable organization can be operated by an individual or as a corporation, foundation, trust, or association. Sec. 11.18 (c). Nothing is said about a limited liability company in the statute, so that would seem to place that structure in doubt. Yet, Subsection 11.18(e) provides that with certain specific exceptions, that the organization be a nonprofit corporation as defined by the Texas Non-Profit Corporation Act, now the Business Organizations Code.

To be a qualified charitable organization, it must also meet the applicable requirements of Subsections (d), (e), (f) and (g). Id. Actually only the first three subsections apply to all charitable organizations, as they are general in nature. Subsection (g) applies to organizations that collect funds from the general public for other charitable organizations, such as the United Way.

B. Organize and perform charitable functions.

Not all charitable organizations qualify for exemption. Subsection (d) requires,

“A charitable organization must be organized exclusively to perform religious, charitable, scientific, literary, or educational purposes and except as permitted by Subsections (h) and (l), engage exclusively in performing one or more of the following charitable functions.” The bold subheadings are the author’s.

1. Indigent medical care. Providing medical care without regard to the beneficiaries’ ability to pay, which in the case of a nonprofit hospital or hospital system means providing charity care and community benefits in accordance with Texas Tax Code Sec 11.1801, entitled “Charity Care and Community Benefits Requirements for Charitable Hospital.”

2. Indigent and disaster care. Providing support or relief to orphans, delinquent, dependent, or handicapped children in need of residential care, abused or battered spouses or children in need of temporary shelter, the impoverished, or victims of natural disaster without regard to the beneficiaries’ ability to pay.

3. Support to elderly and handicapped. Providing support to elderly persons, including the provision of recreational or social activities and facilities designed to address the special needs of elderly person, or to the handicapped, without regard to the beneficiaries’ ability to pay.³

4. Historical landmarks. Preserving a historical landmark or site.

¹ Op. Atty. Gen. 1999 No. JC-0134 held that Cameron County may not waive taxes, penalties, and interest on real property owned by an individual that houses a nonprofit organization. To be exempt, the property must be owned by the charitable organization; leasing is not sufficient.

² Unless otherwise specified all Sections are from the Texas Tax Code.

³ There is a slight wording difference in the text of this subsection as reenacted by Acts 2009, 81st Leg., R.S., Ch. 1246, Sec. 1 and Acts 2009, 81st Leg., R.S., Ch. 1314, Sec. 1.
(a) Section 11.24, entitled “Historic Sites,” states that the governing body of a taxing unit by official action of the body adopted in the manner required by law for official actions may exempt from taxation part or all of the assessed value of a structure or archeological site and the land necessary for access to and use of the structure or archeological site, if the structure or archeological site is:

(i) designated as a Recorded Texas Historic Landmark under Chapter 442, Government Code, or a state archeological landmark under Chapter 191, Natural Resources Code, by the Texas Historical Commission; or

(ii) designated as a historically or archeologically significant site in need of tax relief to encourage its preservation pursuant to an ordinance or other law adopted by the governing body of the unit.

(b) Section 11.24 is the only exemption that is granted not by the appraisal district but by each taxing unit and application must be made to each taxing unit. That may make application under Sec. 11.18(d)(4) preferable.

(5) Cultural sites. Promoting or operating a museum, zoo, library, theater of the dramatic or performing arts, or symphony orchestra or choir.

(6) Humane society. Promoting or providing humane treatment of animals.

(7) Water companies. Acquiring, storing, transporting, selling, distributing water for public use.

(8) Volunteer fire companies. Answering fire alarms and extinguishing fires with no compensation or only nominal compensation to the members of the organization.

(9) Youth athletics. Promoting the athletic development of boys or girls under the age of 18 years.

(10) Wildlife conservation. Preserving or conserving wildlife.

(11) Student scholarships. Promoting educational development through loans or scholarships to students.

(12) Halfway houses. Provide halfway house services pursuant to a certification as a halfway house by the parole division of the Texas Department of Criminal Justice.

(13) Housing for the elderly. Providing permanent housing and related social, health care, and educational facilities for persons who are 62 years of age or older without regard to the residents’ ability to pay.

(14) Art collection. Promoting or operating an art gallery, museum or collection in a permanent location or on tour, that is open to the public.

(15) United Way type organizations. Providing for the organized solicitation and collection for distributions through gifts, grants, and agreements to nonprofit charitable, educational, religious, and youth organizations that provide direct human, health, and welfare services.

(a) Section 11.18(g) provides that a charitable organization that performs a charitable function specified by Subsection (d)(15) must:

i. be affiliated with a state or national organization that authorizes, approves, or sanctions volunteer charitable fundraising organizations;

ii. qualify for exemption under IRC 501(c)(3);

iii. be governed by a volunteer board of directors;

iv. distribute contributions to at least five other associations to be used for general charitable purposes, with all recipients meeting the following criteria: (A) be governed by a volunteer board of directors; (B) qualify for exemption under IRC 501(c)(3); (C) receive a majority of annual revenue from private or corporate charitable gifts and government agencies; and (D) provide services without regard to the ability of persons receiving the services to pay for the services.

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4 See the discussion below on Sec. 11.23(g) on Theater Schools.
(16) **Biomedical and scientific research.**
Performing biomedical or scientific research or biomedical or scientific education for the benefit of the public.

(17) **Public television station.** Operating a television station that produces or broadcasts educational, cultural, or other public interest programming and that receives grants from the Corporation for Public Broadcasting under 47 U.S.C. Section 396, as amended.

(18) **Low income housing.** Providing housing for low-income and moderate-income families, for unmarried individuals 62 years of age or older, for handicapped individuals, and for families displaced by urban renewal, through the use of trust assets that are irrevocably and, pursuant to a contract entered into before December 31, 1972, contractually dedicated on the sale or disposition of the housing to a charitable organization that performs charitable functions described by Subdivision (9).

(19) **Retirement communities.** Providing housing and related services to persons who are 62 years of age or older in a retirement community, if the retirement community provides independent living services, assisted living services, and nursing services to its residents on a single campus: (A) without regard to the residents’ ability to pay, or (B) in which at least four percent of the retirement community’s combined net resident revenue is provided in charitable care to its residents. See special definitions in Section 11.18(k) that apply to retirement communities.

(a) Special definitions for retirement communities. Subsection 11.18(k) gives special definitions that apply to nursing homes or retirement communities under Subsection 11.18(d).

(i) "Assisted living services" means responsible adult supervision of or assistance with routine living functions of an individual in instances where the individual's condition necessitates that supervision or assistance.

(ii) "Charity care," "government-sponsored indigent health care," and "net resident revenue" are determined in the same manner for a retirement community or nursing home as for a hospital under Section 11.1801(a)(2).

(iii) "Nursing care services" includes services provided by nursing personnel, including patient observation, the promotion and maintenance of health, prevention of illness or disability, guidance and counseling to individuals and families, and referral of patients to physicians, other health care providers, or community resources if appropriate.

(iv) "Retirement community" means a collection of various types of housing that are under common ownership and designed for habitation by individuals over the age of 62.

(v) "Single campus" means a facility designed to provide multiple levels of retirement housing that is geographically situated on a site at which all levels of housing are contiguous to each other on a single property.

(20) **Cooperative university housing.** Providing housing on a cooperative basis to students of an institution of higher education if: (A) the organization is exempt under IRC Sec. 501(c)(3); (B) membership in the organization is open to all students enrolled in the institution and is not limited to those chosen by current members of the organization; (C) the organization is governed by its members; and (D) the members of the organization share the responsibility for managing the housing.

(21) **Urban land bank demonstration program.** Acquiring, holding and transferring unimproved real property under an urban land bank demonstration program established under Chapter 379C, Local Government Code, as or on behalf of a land bank.

(22) **Urban land bank program.** Acquiring, holding, and transferring unimproved real property under an urban land bank program established under Chapter 379E, Local Government Code, as or on behalf of a land bank.
(23) **Public radio station.** Operating a radio station that broadcasts educational, cultural, or other public interest programming, including classical music, and that in the preceding five years has received or been selected to receive one or more grants from the Corporation for Public Broadcasting under 47 U.S.C. Section 396, as amended.5

(24) **Housing for homeless.** Providing housing and related services to individuals who: (A) are unaccompanied and homeless and have a disabling condition; and (B) have been continuously homeless for a year or more or have had at least four episodes of homelessness in the preceding three years.6

**C. Not Operated for Private Gain.**

Subsection (e) requires,

“A charitable organization must be operated in a way that does not result in accrual of distributable profits, realization of private gain resulting from payment of compensation in excess of a reasonable allowance for salary or other compensation for services rendered, or realization of any other form of private gain and, if the organization performs one or more of the charitable functions specified by Subsection (d) other than a function specified by Subdivision (1), (2), (8), (9), (12), (16), or (18), be organized as a nonprofit corporation as defined by the Texas Non-Profit Corporation Act.”

**D. Dissolution.**

Subsection (f) requires, “A charitable organization must:

(1) use its assets in performing the organization’s charitable functions or the charitable functions of another charitable organization; and

(2) by charter, bylaw, or other regulation adopted by the organization to govern its affairs direct that on discontinuance of the organization by dissolution or otherwise:”

(A) the assets are to be transferred to this state, the United States, or an educational, religious, charitable, or other similar organization that is qualified as a charitable organization under IRC Sec. 501(c)(3);

(B) if required for the organization to qualify as a tax-exempt organization under IRC Sec 501(c)(12), [benevolent life insurance associations of a purely local character, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations], the assets are to be transferred directly to the organization’s members, each of whom, by application for an acceptance of membership in the organization, has agreed to immediately transfer those assets to this state or to an educational, religious, charitable, or other similar organization that is qualified as a charitable organization under IRC Sec. 501(c)(3), as designated in the bylaws, charter, of regulation adopted by the organization.

**E. Exclusively, not so much.**

There are two exceptions to the “exclusively function” requirement that apply generally and one that applies to organizations that provides services to the elderly.

1. **Generally.**

   Subsection 11.18(h) states that performance of noncharitable functions by a charitable organization that owns or uses exempt property does not result in loss of an exemption authorized by Section 11.18 if those other functions are incidental to the organization’s charitable functions.

   Subsection (h) also provides that the division of responsibilities between an organization that qualifies as a charitable organization under Subsection (c) and another organization will not disqualify the organizations or any property owned or used by either organization from receiving an exemption under section 11.18 if the collaboration furthers the provision of one or more of the charitable functions described in Subsection 11.18(d) and if the other organization:

   (1) is exempt from federal income taxation under IRC Sec 501(c)(3);

   (2) meets the criteria for a charitable organization under Subsections (e) and (f); and

   (3) is under common control with the charitable organization described in this subsection.

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5 Text of Subsection 11.18(d)(23) as reenacted by Acts 2009, 81st Leg., R.S., Ch. 1246, Sec. 1.

6 Text of Subsection 11.18(d)(23) as reenacted by Acts 2009, 81st Leg., R.S., Ch. 1314, Sec. 1.
2. Services to elderly.
   Subsection 11.18(l) provides that a charitable organization described in Subsection 11.18(d)(3) that provides support to elderly persons must engage primarily in performing charitable functions described by Subsection (d)(3), but may engage in other activities that support or are related to its charitable functions.

III. RELIGIOUS ORGANIZATIONS.
   Religious organizations are covered under a separate section, Sec. 11.20.

   A. Qualified religious organizations.
   To qualify for an exemption as a religious organization, an organization (whether operated by an individual, as a corporation, or as an association) must; Sec. 11.20(c):

   (1) be organized and operated primarily for the purpose of engaging in religious worship or promoting the spiritual development or well-being of individuals.

   “Religious worship” means individual or group ceremony or meditation, education, and fellowship, the purpose of which is to manifest or develop reverence, homage, and commitment in behalf of a religious faith; Sec. 11.20(e);

   Evidence was legally sufficient to support jury finding that entire 64-acre tract owned by the church and used as a church camp site was an actual place of worship, thereby qualifying for property tax exemption. Kerrville Independent School Dist. v. Southwest Texas Encampment Ass’n, 673 S.W. 2d 256 (Texas App. 4th 1984 writ ref’d n.r.e). A building used by a minister to prepare religious radio programs was exempted in Highland Church of Christ v. Powell, 644 S.W.2d 177 (Tex. App. – Eastland 1983, writ ref’d n.r.e.). Church owned parking lots also may be exempted from taxation even if they are leased out during the week. First Baptist Church of San Antonio v. Bexar County Appraisal District, 833 S.W.2d 108 (Tex. 1992).

   (2) be operated in a way that does not result in accrual of distributable profits, realization of private gain resulting from payment of compensation in excess of a reasonable allowance for salary or other compensation for services rendered, or realization of any other form of private gain;

   (3) use its assets in performing the organization’s religious functions or the religious functions of another religious organization;

   (4) by charter, bylaw, or other regulation adopted by the organization to govern its affairs direct that on discontinuance of the organization by dissolution or otherwise the assets are to be transferred to this state, the United States, or a charitable, educational, religious, or other similar organization that is a qualified IRC Sec. 501(c)(3) organization.

   B. Exempt property.
   There are eight types of exempt property for a qualified religious organization; Sec. 11.20(a) and (b). The bold subheadings are the author’s.

   (1) Place of regular religious worship. The real property that is owned by the religious organization, is used primarily as a place of regular religious worship, and is reasonably necessary for engaging in religious worship; Sec. 11.20(a)(1).

   (2) Tangible personal property. The tangible personal property that is owned by the religious organization and is reasonably necessary for engaging in worship at the place of regular religious worship; Sec. 11.20(a)(2).

   (3) Residence for clergy. The real property that is owned by the religious organization and is reasonably necessary for use as a residence (but not more than one acre of land for each residence) if the property: (A) is used exclusively as a residence for those individuals whose principal occupation is to serve in the clergy of the religious organization; and (B) produces no revenue for the religious organization; Sec. 11.20(a)(3).

   (4) Tangible personal property in residence. The tangible personal property that is owned by the religious organization and reasonably necessary for use of the residence specified in (3); Sec. 11.20(a)(4).

   (5) Incomplete improvement. The property owned by the religious organization consisting of: (A) an incomplete

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7 Under Sec. 11.20(d), all income from such leasing must be devoted exclusively to the maintenance and development of the property as a place of religious worship.
improvement that is under active construction or other physical preparation and that is designed and intended to be used by the religious organization as a place of regular religious worship when complete; and (B) the land on which the incomplete improvement is located that will be reasonably necessary for the religious organization’s use of the improvement as a place of regular religious worship. A property may not be exempt under this provision for more than three years; Sec. 11.20(a)(5).

(6) Expansion land. The land that the religious organization owns for the purpose of expansion of the religious organization’s place of regular religious worship or construction of a new place of regular religious worship if: (A) the religious organization qualifies other property, including a portion of the same tract or parcel of land, owned by the organization for an exemption under (1) or (5); and (B) the land produces no revenue for the religious organization. A tract of land that is contiguous to the tract of land on which the religious organization’s place of regular religious worship is located may not be exempted under the provisions for more than six years and a tract of land that is not contiguous to the tract of land on which the religious organization’s place of regular religious worship is located may not be exempted under this provisions for more than three years; a tract of land is considered to be contiguous with another tract of land if the land if the tracts are divided only by a road, railroad track, river, or stream; Sec. 11.20(a)(6).

(7) School property. The real property owned by the religious organization that is leased to another person and used by the person for the operation of a school that qualifies as a school under Section 11.21(d); Sec. 11.20(a)(7).

(8) Endowment funds. Endowments funds the organization owns that are used exclusively for the support of the religious organization and are invested exclusively in bonds, mortgages, or property purchased at a foreclosure sale for the purpose of satisfying or protecting the bonds or mortgages; foreclosure sale property that is held by an endowment fund for longer than the two year period immediately following purchase a the foreclosure sale is not exempt from taxation. Sec. 11.20(b).

C. Occasional secular use.

Use of property that qualifies for exemption as a religious organization for occasional secular purposes other than religious worship does not result in loss of the exemption if the primary use of the property is for religious worship and all income from the other use is devoted exclusively to the maintenance and development of the property as a place of religious worship.

D. Increased tax on sale of expansion land.

For a sale of land that is exempt under Section 11.20(a)(6) to another person, an additional tax is imposed on the land equal to the tax that would have been imposed on the land had the land been taxed for each of the five years preceding the year in which the sale or transfer occurs in which the land received an exemption under that subsection, plus interest at an annual rate of seven percent calculated from the dates on which the taxes would have become due.

These sanctions do not apply if the sale or transfer occurs as a result of:

(1) a sale for right-of-way;
(2) a condemnation;
(3) a transfer of property to the state or a political subdivision of the state to be used for a public purpose;
(4) a transfer of property to a religious organization that qualifies the property for an exemption under Section 11.20 for the tax year in which the transfer occurs. Sec. 11.201(e).

This caution is addressed to purchasers of land from churches:

[W]hen buying land from a church, it is important to determine whether or not the land is expansion land. If it is, it will be necessary to estimate the taxes that would have been imposed on the land for the prior 5 years and escrow the same until the roll back is assessed. This may impose a challenge, because in contrast to ag use exempt land, for which the appraisal district makes an annual valuation determination, land held by a church is listed as exempt on the tax rolls, so there is no annual determination of value by the appraisal district. As such, it may be safest for the buyer to insist that the parties utilize the current sale price of the land for tax estimation purposes, as it is unlikely that
the appraisal district could prevail in an argument that the land was worth more during any of the 5 previous years than the buyer is currently paying for the land. D. Becker, “Avoiding Malpractice – Property Tax Pitfalls, 2008 State Bar College “Summer School”, p. 7.

A caution could also be addressed to a church selling expansion land to make sure that the sales contract does not place the increased taxes upon the church.

IV. SCHOOLS.

Schools and exemption from taxation are covered in Sec. 11.21, entitled “Schools.”

A. Qualified schools.
To be a school qualified for an exemption, an organization (whether operated by an individual, as a corporation, or as an association) must:

1. be organized and operated primarily for the purpose of engaging in educational functions;
2. normally maintain a regular faculty and curriculum and normally have a regularly organized body of students in attendance at the place where its educational functions are carried on;
3. be operated in a way that does not result in accrual of distributable profits, realization of private gain resulting from payment of compensation in excess of a reasonable allowance for salary or other compensation for services rendered, or realization of any other form of private gain and, if the organization is a corporation, be organized as a nonprofit corporation as defined by the Texas Non-Profit Corporation Act;
4. use its assets in performing the organization’s educational functions or the educational functions of another educational organization; and
5. by charter, bylaw, or other regulation adopted by the organization to govern its affairs direct that on discontinuance of the organization by dissolution or otherwise the assets are to be transferred to this state, the United States, or an educational, charitable, religious, or other similar organization that is qualified as a charitable organization under IRC Sec. 501(c)(3).

B. School exemptions.
A person is entitled to an exemption from taxation of:

1. the buildings and tangible personal property that the person owns and that are used for a qualified school in Section (d) if: (A) the school is operated exclusively by the person owning the property; (B) the buildings and tangible personal property are used exclusively for educational functions; use of exempt tangible property for functions other than educational functions does not result in loss of an exemption authorized by this section if those other functions are incidental to use of the property for educational functions and benefit the students or faculty of the school; (C) the buildings and tangible personal property are reasonably necessary for the operation of the school;
2. the real property owned by the person consisting of: (A) an incomplete improvement that: (i) under active construction or other physical preparation; and (ii) is designed and intended to be used for a school that is a qualified school in Section 11.21(d); but not for more than three years, Sec. 11.21(g).

C. Endowment funds.
Endowments funds that are used exclusively for the support of the school and are invested exclusively in bonds, mortgages, or property purchased at a foreclosure sale for the purpose of satisfying or protecting the bonds or mortgages; foreclosure-sale property that is held by an endowment fund for longer than the two-year period immediately following purchase at the foreclosure sale is not exempt from taxation.

V. MISCELLANEOUS ORGANIZATION EXEMPTIONS.
Other sections of the Tax Code, Section 11.23 in particular, contain miscellaneous provisions, applicable to specific types of organizations and to specific named organizations. Some provisions of general application are:

A. Veteran’s Organizations.
A nonprofit organization that is composed primarily of members or former members of the armed forces of the United States or its allies and that is chartered or incorporated by the United States Congress is entitled to an exemption from taxation of each of the buildings (including the land that is reasonable necessary for use of, access to, and ornamentation of
the buildings) and other property owned and primarily used by the organization if the property is not used to produce revenue or held for gain. Occasional renting of the post or chapter property for other nonprofit activities does not result in loss of the exemption provided by this subsection if the rental proceeds are used solely for the maintenance and improvement of the property. An organization is a nonprofit organization if it is organized and operated in a way that does not result in the accrual of distributable profits, realization of private gain from payment of compensation in excess of a reasonable allowance for salary or other compensation for services rendered, or realization of any other form of private gain. Section 11.23(a).

B. Private Enterprise Demonstration Associations.

An association that engages exclusively in conducting nonprofit educational programs designed to demonstrate the American private enterprise system to children and young people and that operates under a state or national organization that is organized and operated for the same purpose is entitled to an exemption from taxation of the tangible property that it owns and uses exclusively if it is reasonably necessary for the association’s operation. Section 11.23(e).

C. Theater Schools.

The provisions of Section 11.23(g) are so detailed they appear to have been to qualify one specific taxpayer.

A corporation that is organized to promote the teaching and study of the dramatic arts is entitled to an exemption from taxation of the property it owns and uses in the operation of a school for the dramatic arts if:

1. the corporation is organized as a nonprofit corporation as defined by the Texas Non-Profit Corporation Act;
2. the corporation is not self-sustaining in any fiscal year from income other than gifts, grants, or donations;
3. the corporation is exempt from federal income taxes;
4. the school maintains a theater-school program with regular classes for at least four grades, formal textbooks and curriculum, an enrollment of 150 or more students during each of at least two semesters every calendar year, and a faculty substantially all of whom hold degrees in theater arts from an accredited school of higher education;
5. the school offers apprenticeship or other practical training in theater management and operation for college students or offers similar training for playwrights, actors, and production personnel; and
6. more than one-half of each season’s theatrical productions for which admission is charged have significant literary merit of the character that contributes to the educational programs of secondary schools and schools of higher education.

D. County Fair Associations.

A county fair association organized to hold agricultural fairs and encourage agricultural pursuits is entitled to an exemption from taxation of the land and building that it owns and uses to hold agricultural fairs. Section 11.23(h).

E. Community Service Clubs.

Section 11.23(i) provides that an association that qualifies as a community service club is entitled to an exemption from taxation of the tangible property the club owns that qualifies under Article VIII, Section 2, of the constitution and that is not used for profit or held for gain. To qualify as a community service club for the purposes of this subsection, an association must:

1. be organized to promote and must engage primarily in promoting: (A) the religious, educational, and physical development of boys, girls, young men, or young women; (B) the development of the concepts of patriotism and love of country; and (C) the development of interest in community, national, and international affairs;
2. be affiliated with a state or national organization of similar purpose;
3. be open to membership without regard to race, religion, or national origin; and
4. be operated in a way that does not result in accrual of distributable profits, realization of private gain resulting from payment of compensation in excess of a reasonable allowance for salary or other compensation for services rendered, or realization of any other form of private gain.

F. Youth Spiritual, Mental and Physical Development Associations.

Property that is owned by an organization that is organized and operated primarily for the purpose of promoting the threefold spiritual, mental, and physical development of boys, girls, young men, or young women, and operates in conjunction with a state or national organization may be exempt. Sec. 11.19.
G. Limited Organizations

There are exemptions granted for organizations that are granted for organizations of very limited application.

1. **Exemptions for Specific Organizations.**
   a. Federation of Women’s Clubs. 11.23(b).
   b. Nature Conservancy of Texas. 11.23(c)
   c. Congress of Parents and Teachers. 11.23(d)

2. **Specific Types of Organizations;**
   a. Medical Center Development. 11.23(j)
   b. Medical Center Development in Populous Counties. 11.23(j-1)
   c. Scientific Research Corporations. 11.23(k)

3. **There are several Sections that are limited in their application to specific types of organizations:**
   Section. 11.30 Nonprofit Water Supply or Wastewater Service Corporation.
   a. Section 11.32 Certain Water Conservation Initiatives.

VI. **DATE OF OWNERSHIP.**

To qualify for an exemption, one must normally own the property on January 1 to qualify for the exemption for that year. 11.42(a).

But a charitable organization that acquires property after January 1 of a tax year may receive an exemption authorized by Section 11.17, 11.18, 11.19, 11.20, 11.21, 11.23, 11.231, or 11.30 for the applicable portion of that tax year immediately on qualification for the exemption. Sec. 11.42(d).

VII. **APPLICATION FOR EXEMPTION.**

No exemptions are automatic, but result after application for the exemption by filing an exemption application for with the chief appraiser for each appraisal district in which the property subject to the claimed exemption has situs. Sec. 11.43(a).

Most individual exemptions must be claimed annually, but charitable exemptions once allowed need not be claimed in subsequent years, until the property changes ownership or the organization’s qualification for the exemption changes. Sec. 11.43 (c). The chief appraiser may require an organization allowed one of the exemptions in a prior year to file a new application to confirm the organization’s current qualification for the exemption by delivering a written notice that a new application is required, accompanied by an appropriate application form. Id.