

## AGENDA



Thursday, December 6, 2007

## Budget

Item No. 9

## RECOMMENDATION FOR COUNCIL ACTION

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**Subject:** Approve an ordinance electing to continue to tax tangible personal property in transit, which would otherwise be exempt from taxation under Texas Tax Code Section 11.253, as enacted by House Bill 621. Related to item #102.

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The City of Austin currently collects property taxes on tangible personal property in transit, which, as of January 1st, 2008, would automatically be exempt from taxation under Texas Tax Code 11.253, as enacted by House Bill 621. The code allows for taxing entities to opt-out of this automatic exemption, provided the entity holds a public hearing and adopts an ordinance to continue the taxation.