

APPLICATION FOR CONSTRUCTING OR REHABILITATING LOW-INCOME HOUSING PROPERTY TAX EXEMPTION

<input type="checkbox"/> Final Exemption <input type="checkbox"/> Preliminary Determination of Exemption*	YEAR _____
Appraisal District Name: _____	
Address: _____ Phone (area code and number): () _____	

Instructions: File this application between January 1 and no later than April 30. You may file an application within 30 days of acquisition of new or additional property. If the chief appraiser grants the final exemption, you do not need to reapply annually. You must reapply if the chief appraiser requires you to do so by sending you a new application asking you to reapply. You must notify the chief appraiser in writing if and when your right to any exemption ends. Be sure to attach any additional documents requested.

* To facilitate the financing associated with the acquisition of a property, an organization, before acquiring the property, may request from the chief appraiser of the appraisal district established for the county in which the property is located a preliminary determination of whether the property would qualify for an exemption under Section 11.1825 if acquired by the organization. The request must include the information that would be included in an application for an exemption for the property under Section 11.1825. Not later than the 45th day after the date a request is submitted under this subsection, the chief appraiser shall issue a written preliminary determination for the property included in the request. A preliminary determination does not affect the granting of an exemption under Section 11.1825. Section 11.436(c), Tax Code.

Step 1: Name and address of property owner and qualifying non-profit organization	Name of property owner (please print): _____		
	Current mailing address: _____		
	City, State: _____	ZIP code + 4: _____	Phone: _____
	Name of qualifying non-profit organization if not property owner (please print): _____		
	Current mailing address: _____		
	City, State: _____	ZIP code + 4: _____	Phone: _____
	Name of person preparing this application:: _____		Title _____
	Driver's License, Personal ID Certificate, or Social Security Number*: _____		

Step 2: Type of property owner	Type of organization (check appropriate box): <input type="checkbox"/> Qualifying non-profit organization <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Entity of a qualifying non-profit organization		
	If owner of the property is a "qualifying non-profit organization," complete Step 3.		
	If owner of the property is a "Limited Partnership," answer the following questions:		
	1. Is the general partner controlled 100 percent by a qualifying non-profit organization?		<input type="checkbox"/> Yes <input type="checkbox"/> No
	If "Yes," complete Step 3 below concerning the qualifying non-profit organization.		
2. Is the limited partnership organized under the laws of Texas?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
3. Is the limited partnership's principal place of business in Texas?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
If owner of the property is an "Entity of the organization," answer the following questions:			
1. Is the entity organized under the laws of Texas?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
2. Is the entity's principal place of business in Texas?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
3. Complete Step 3 below concerning the parent organization.			
Note: Entity of the organization is an entity whose parent organization is a charitable organization that meets the requirements of Tax Code Section 11.1825(b).			

Step 3: Answer the following questions about the organization

For the preceding three years (note years) _____, answer these questions:

1. Has the organization been exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as amended, as an exempt entity under Section 501(c)(3) of that Code? Yes No
2. Has the organization operated, or its charter permit to operate, in a manner that permits the accrual of profits or distribution of any form of private gain? If yes, explain on a separate attached page. Yes No
3. Has the organization used its assets in providing low-income housing? Yes No
4. In the past year has the organization loaned funds to, borrowed funds from, sold property to or bought property from a shareholder, director or member of the organization, or has a shareholder or member sold his interest in the organization for a profit? Yes No
If "Yes," attach a description of each transaction. For sales, give buyer, seller, price paid, value of the property sold and date of sale. For loans, give lender, borrower, amount borrowed, interest rate and term of loan. Attach a copy of note, if any.
5. Attach a list of salaries and other compensation for services paid in the last year. List any funds distributed to members, shareholders or directors in the last year. In each case, give recipient's name, type of service rendered or reason for payment and amounts paid.

About the board of directors, answer these questions:

1. Does a majority of the members of the organization's board of directors of the organization have their principal place of residence in Texas? Yes No
Attach a list of the board members and their principal places of residence.
2. Do two or more directors on the board whose principal place of residence is located in Texas meet one of the following requirements: an individual of low income as defined by Section 2306.004, Government Code; or an individual whose residence is located in an economically disadvantaged census tract in Texas, as defined by Section 783.009(b), Government Code; or is a representative appointed by a neighborhood organization in Texas that represents low-income households? Yes No
Note on attached list of board members those directors that meet one of these provisions, and indicate which provisions.

About policies, bylaws or charter, answer these questions:

1. Does the organization have a formal policy containing procedures for giving notice to and receiving advice from low-income households residing in the county in which a housing project is located regarding the design, siting, development and management of affordable housing projects? Yes No
If "Yes," attach a copy of the formal policy.
2. Does the organization perform, or does its charter permit it to perform, any functions other than those of providing low-income housing? Yes No
If "Yes," attach a statement describing the other functions in detail.
3. Do the by-laws or charter direct that on the discontinuance of the organization the organization's assets are to be transferred to the State of Texas, to the United States, or to an educational, religious, charitable or other similar organization that is qualified for exemption under Sec. 501(c)(3), Internal Revenue Code, as amended? Yes No
If "Yes," give the page and paragraph numbers. Page _____ Paragraph _____
If "No," do these documents direct that on discontinuance of the organization the organization's assets are to be transferred to members who have promised in their membership applications to immediately transfer them to the State of Texas, to the United States, or to an educational, religious, charitable or other similar organization that is qualified for exemption under Sec. 501(c)(3), Internal Revenue Code, as amended? Yes No
If "Yes," give the page and paragraph numbers. Page _____ Paragraph _____
If "Yes," was the two-step transfer required for the organization to qualify for exemption under Sec. 501(c)(12), Internal Revenue Code, as amended? Yes No

Step 4: Audit	<p>Property may not be exempt for a tax year unless the organization owning or controlling the owner of the property has an audit prepared by an independent auditor covering the organization's most recent fiscal year.</p> <p>The audit must include:</p> <ul style="list-style-type: none"> (1) an opinion on whether the organization's financial statements present fairly, in all material respects and in conformity with generally accepted accounting principles, the financial position, changes in net assets, and cash flows of the organization; and (2) that the organization has complied with all of the terms and conditions under Tax Code Section 11.1825. <p>If the property contains less than 36 dwelling units, the organization may deliver a detailed report and certification as an alternative to an audit. Attach the audit or deliver within 180 days after the last day of the organization's most recent fiscal year.</p>
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Step 5: Describe the property	<p>PROPERTY TO BE EXEMPT</p> <ul style="list-style-type: none"> • Attach a Schedule A (CONSTRUCTING) form for each parcel of land and each building of real property to be exempt for constructing low-income housing. <p>Attach a Schedule B (REHABILITATING) form for each parcel of land and building to be exempt for rehabilitating low-income housing.</p> <ul style="list-style-type: none"> • If the organization receives this exemption and acquires additional improved or unimproved real property at any time during the year, the organization must file a Schedule A or Schedule B for that property not later than the 30th day after the date of acquisition. For that tax year, the exemption is applicable only to that portion of the year in which the property qualifies for exemption.
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If you make a false statement on this form, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

Step 6: Sign the Application	<p>By signing this application, you certify that the property described in the attached Schedules A and B as the property against which this exemption may be claimed in this appraisal district.</p> <p>You certify that this information is true and correct to the best of your knowledge and belief.</p>	
	On behalf of (name of organization):	Date:
	Authorized signature:	Title:

*** You are required to give us this information on this form, in order to perform tax related functions for this office. Section 11.43 of the Tax Code authorizes this office to request this information to determine tax compliance. The chief appraiser is required to keep the information confidential and not open to public inspection, except to appraisal office employees who appraise property and as authorized by Section 11.48(b), Tax Code.**