

ORDINANCE NO. 6504

AN ORDINANCE PROVIDING FOR AND REAFFIRMING THE TAXATION OF GOODS-IN-TRANSIT AS TANGIBLE PERSONAL PROPERTY OTHERWISE EXEMPTED UNDER SECTION 11.253 OF THE TEXAS TAX CODE; REAFFIRMING AND RE-ADOPTING SECTION 40.04(E) OF CHAPTER 40 OF THE CODE OF ORDINANCES OF THE CITY OF GARLAND, TEXAS TO REFLECT THAT DETERMINATION; PROVIDING A SAVINGS CLAUSE AND A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Article VIII, Section 1-n, of the Texas Constitution authorizes the Texas Legislature to exempt from ad valorem taxation certain tangible personal property which is intended to be forwarded to another location within this state, or outside of this state, subject to the authority of the governing body of a political subdivision to make the determination to tax the property that would otherwise be exempt; and

WHEREAS, pursuant to the authority granted by Article VIII, Section 1-n of the Texas Constitution, the 80th Texas Legislature enacted House Bill 621 amending Chapter 11 of the Texas Tax Code by adding Section 11.253 to create an exemption from ad valorem taxes for certain tangible personal property referred to as “goods-in-transit”, which property has been subject to taxation in the past; and

WHEREAS, in accordance with Article VIII, Section 1-n, of the Texas Constitution and Section 11.253 of the Texas Tax Code, and in the manner provided by law, the City Council determined to continue to tax such goods-in-transit by adopting Ordinance No. 6186; and

WHEREAS, the 82nd Texas Legislature in special session recently amended Section 11.253 of the Texas Tax Code to provide for the continued taxation of such goods-in-transit provided that the governing body of a taxing unit takes action on or after October 1, 2011 and before January 1, 2012 to continue the taxation of goods-in-transit; and

WHEREAS, the City Council, having conducted a public hearing as required by Article VIII, Section 1-n (d) of the Texas Constitution, has determined to continue to tax such goods-in-transit; and

WHEREAS, the City Council desires to provide for the taxation of such goods-in-transit by reaffirming and re-adopting Sec. 40.04(E) of Chapter 40 of the Code of Ordinances to reflect its determination.

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

Section 1

That the City Council hereby determines that “goods-in-transit” as defined in Article VIII, Section 1-n of the Texas Constitution and Section 11.253 of the Texas Tax Code, and not otherwise exempt from ad valorem taxation under any other law, are and shall remain subject to taxation by the City of Garland, Texas.

Section 2

That Section 40.04 of Chapter 40, "Taxation", of the Code of Ordinances of the City of Garland, Texas, is reaffirmed and re-adopted.

Section 3

That Chapter 40, "Taxation" of the Code of Ordinances of the City of Garland, Texas, as amended shall remain in full force and effect, save and except as amended by this Ordinance. Nothing contained in this Ordinance shall be in any manner construed as providing any period of non-taxability or otherwise create a gap in taxability, the intent of this Ordinance being to provide full and continued taxation of goods-in-transit as expressed by this Ordinance.

Section 4

That the terms and provisions of this Ordinance are severable and are governed by Section 10.06 of the Code of Ordinances of the City of Garland, Texas.

Section 5

That this Ordinance shall be and become effective immediately upon its passage and approval.


PASSED AND APPROVED this 15th day of November, 2011.

CITY OF GARLAND, TEXAS



Mayor

ATTEST:



City Secretary