

TOWN OF ADDISON, TEXAS

ORDINANCE NO. 001-045

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS AMENDING CHAPTER 74 (TAXATION) OF THE CODE OF ORDINANCES OF THE CITY BY ADDING A NEW SECTION 74-32 PROVIDING FOR THE TAXATION OF MOTOR VEHICLES (LEASED) OTHERWISE EXEMPTED FROM TAXATION; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Senate Bill 248, effective January 1, 2002, adopted by the 77th Texas Legislature amended the Texas Tax Code by adding a new Section 11.252 which provides that the owner of a motor vehicle which is subject to a lease is entitled to an exemption from taxation of the vehicle if the lessee does not hold the vehicle for the production of income and the vehicle is used primarily for activities that do not involve the production of income; and

WHEREAS, Senate Bill 248 authorizes the governing body of a municipality by ordinance adopted before January 1, 2002 to provide for the taxation of leased motor vehicles otherwise exempted, and if a municipality adopts such an ordinance, the exemption from taxation does not apply to the municipality; and

WHEREAS, the City Council desires to adopt this Ordinance to provide for the taxation of motor vehicles otherwise exempt from taxation as set forth in Senate Bill 248.

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

Section 1. Amendment. The Code of Ordinances of the Town of Addison, Texas (the "City") is hereby amended by amending Chapter 14 (Taxation), Article I (Property Taxation), Division 1 (Generally) of the Code of Ordinances by adding a new Section 14-32 to read as follows:

"Section 14-32. Taxation of Motor Vehicles Leased for Personal Use.

The Town does hereby provide for the taxation of leased motor vehicles which would otherwise be exempt from taxation as set forth in Section 11.252 of the Texas Tax Code (as added by Senate Bill 248, 77th Texas Legislature). Such leased motor vehicles shall be and are subject to the ad valorem tax of the Town."

Except for the amendment as set forth herein, there are no other amendments to the Code of Ordinances.

Section 2. Savings. This Ordinance shall be cumulative of all other ordinances of the City and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those Ordinances are in direct conflict with the provisions of this Ordinance.

Section 3 Severability. The sections, paragraphs, sentences, phrases, clauses and words of this Ordinance are severable, and if any section, paragraph, sentence, phrase, clause or word in this Ordinance or application thereof to any person or circumstance is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance, and the City Council hereby declares that it would have passed such remaining portions of this Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

Section 4. Effective Date. This Ordinance shall become effective from and after its date of passage and publication as may be required by law.

PASSED AND APPROVED by the City Council of the Town of Addison, Texas this the 11TH day of December, 2001.



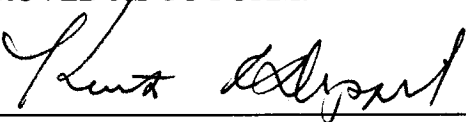
R. Scott Wheeler, Mayor

ATTEST:

By: 

Carmen Moran, City Secretary

APPROVED AS TO FORM:

By: 

Ken Dippel, City Attorney

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