

AN ACT

relating to the computation of the franchise tax, including certain exclusions from the tax.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 171.0001(12), Tax Code, is amended to read as follows:

(12) "Retail trade" means:

(A) the activities described in Division G of the 1987 Standard Industrial Classification Manual published by the federal Office of Management and Budget; ~~and~~

(B) apparel rental activities classified as Industry 5999 or 7299 of the 1987 Standard Industrial Classification Manual published by the federal Office of Management and Budget;

(C) the activities classified as Industry Group 753 of the 1987 Standard Industrial Classification Manual published by the federal Office of Management and Budget;

(D) rental-purchase agreement activities regulated by Chapter 92, Business & Commerce Code;

(E) activities involving the rental or leasing of tools, party and event supplies, and furniture that are classified as Industry 7359 of the 1987 Standard Industrial Classification Manual published by the federal Office of Management and Budget;

and

1 (F) heavy construction equipment rental or
2 leasing activities classified as Industry 7353 of the 1987 Standard
3 Industrial Classification Manual published by the federal Office of
4 Management and Budget.

5 SECTION 2. Subchapter A, Chapter 171, Tax Code, is amended
6 by adding Sections 171.0022 and 171.0023 to read as follows:

7 Sec. 171.0022. TEMPORARY PERMISSIVE ALTERNATE RATES FOR
8 2014. (a) Notwithstanding Section 171.002(a) and subject to
9 Section 171.1016 and Subsection (b) of this section, a taxable
10 entity may elect to pay the tax imposed under this chapter at a rate
11 of 0.975 percent of taxable margin.

12 (b) Notwithstanding Section 171.002(b) and subject to
13 Section 171.1016, a taxable entity primarily engaged in retail or
14 wholesale trade as defined by Sections 171.002(c) and (c-1) may
15 elect to pay the tax imposed under this chapter at a rate of 0.4875
16 percent of taxable margin.

17 (c) This section applies only to a report originally due on
18 or after January 1, 2014, and before January 1, 2015.

19 (d) This section expires December 31, 2014.

20 Sec. 171.0023. TEMPORARY PERMISSIVE ALTERNATE RATES FOR
21 2015. (a) Notwithstanding Section 171.002(a) and subject to
22 Section 171.1016 and Subsections (b) and (d) of this section, a
23 taxable entity may elect to pay the tax imposed under this chapter
24 at a rate of 0.95 percent of taxable margin.

25 (b) Notwithstanding Section 171.002(b) and subject to
26 Section 171.1016 and Subsection (d) of this section, a taxable
27 entity primarily engaged in retail or wholesale trade as defined by

1 Sections 171.002(c) and (c-1) may elect to pay the tax imposed under
2 this chapter at a rate of 0.475 percent of taxable margin.

3 (c) This section applies only to a report originally due on
4 or after January 1, 2015, and before January 1, 2016.

5 (d) A taxable entity may elect to compute the tax at the rate
6 provided by Subsection (a) or (b), as applicable, on a report
7 specified by Subsection (c) only if the comptroller certifies, on
8 or after September 1, 2014, that probable revenue for the state
9 fiscal biennium ending August 31, 2015, is estimated to exceed
10 probable revenue as stated in the comptroller's Biennial Revenue
11 Estimate for the 2014-2015 fiscal biennium, as adjusted for
12 estimates of revenue and disbursements associated with legislation
13 enacted by the 83rd Legislature, including any contingent
14 appropriations certified before September 1, 2014, by an amount
15 sufficient to offset the loss in probable revenue that will result
16 if taxable entities elect to compute the tax at the rates provided
17 by Subsections (a) and (b). If the comptroller does not make the
18 certification described by this subsection, a taxable entity may
19 not elect to pay the tax at the rate provided by Subsection (a) or
20 (b) and shall pay the tax at the rates provided by Section 171.002.

21 (e) This section expires December 31, 2015.

22 SECTION 3. Section 171.006(b), Tax Code, is amended to read
23 as follows:

24 (b) Beginning in 2010, on January 1 of each even-numbered
25 year, the amounts prescribed by Sections 171.002(d)(2) [~~7~~
26 ~~171.0021,~~] and 171.1013(c) are increased or decreased by an amount
27 equal to the amount prescribed by those sections on December 31 of

1 the preceding year multiplied by the percentage increase or
2 decrease during the preceding state fiscal biennium in the consumer
3 price index and rounded to the nearest \$10,000.

4 SECTION 4. Section 171.052(a), Tax Code, is amended to read
5 as follows:

6 (a) Except as provided by Subsection (c), an insurance
7 organization, title insurance company, or title insurance agent
8 authorized to engage in insurance business in this state that is
9 ~~[now]~~ required to pay an annual tax ~~[under Chapter 4 or 9, Insurance~~
10 ~~Code,~~ measured by its gross premium receipts is exempted from the
11 franchise tax. A nonadmitted insurance organization that is
12 required to pay a gross premium receipts tax during a tax year is
13 exempted from the franchise tax for that same tax year. A
14 nonadmitted insurance organization that is subject to an occupation
15 tax or any other tax that is imposed for the privilege of doing
16 business in another state or a foreign jurisdiction, including a
17 tax on gross premium receipts, is exempted from the franchise tax.

18 SECTION 5. Subchapter B, Chapter 171, Tax Code, is amended
19 by adding Section 171.086 to read as follows:

20 Sec. 171.086. EXEMPTION: POLITICAL SUBDIVISION
21 CORPORATION. A political subdivision corporation formed under
22 Section 304.001, Local Government Code, is exempted from the
23 franchise tax.

24 SECTION 6. Sections 171.101(a) and (b), Tax Code, are
25 amended to read as follows:

26 (a) The taxable margin of a taxable entity is computed by:
27 (1) determining the taxable entity's margin, which is

1 the lesser of:

2 (A) the amount provided by this paragraph, which
3 is the lesser of:

4 (i) 70 percent of the taxable entity's total
5 revenue from its entire business, as determined under Section
6 171.1011; or

7 (ii) an amount equal to the taxable entity's
8 total revenue from its entire business as determined under Section
9 171.1011 minus \$1 million; or

10 (B) an amount computed by[+]

11 [~~(i)~~] determining the taxable entity's
12 total revenue from its entire business[+] under Section 171.1011
13 and [+]

14 [~~(ii)~~] subtracting the greater of:

15 (i) \$1 million; or

16 (ii) an amount equal to the sum of:

17 (a) [+] at the election of the taxable
18 entity, either:

19 (1) [~~(a)~~] cost of goods sold, as
20 determined under Section 171.1012; or

21 (2) [~~(b)~~] compensation, as
22 determined under Section 171.1013; and

23 (b) any [~~(iii)~~ ~~subtracting,~~ ~~in~~
24 ~~addition to any subtractions made under Subparagraph (ii)(a) or~~

25 ~~(b)~~] compensation, as determined under Section 171.1013, paid to

26 an individual during the period the individual is serving on active

27 duty as a member of the armed forces of the United States if the

1 individual is a resident of this state at the time the individual is
2 ordered to active duty and the cost of training a replacement for
3 the individual;

4 (2) apportioning the taxable entity's margin to this
5 state as provided by Section 171.106 to determine the taxable
6 entity's apportioned margin; and

7 (3) subtracting from the amount computed under
8 Subdivision (2) any other allowable deductions to determine the
9 taxable entity's taxable margin.

10 (b) Notwithstanding Subsection (a)(1)(B)(ii)(a)
11 [~~(a)(1)(B)(ii)~~], a staff leasing services company may subtract only
12 the greater of \$1 million as provided by Subsection (a)(1)(B)(i) or
13 compensation as determined under Section 171.1013.

14 SECTION 7. Section 171.1011, Tax Code, is amended by
15 amending Subsection (g-4) and adding Subsections (g-8), (g-10),
16 (g-11), (u), (v), and (x) to read as follows:

17 (g-4) A taxable entity that is a pharmacy cooperative shall
18 exclude from its total revenue, to the extent included under
19 Subsection (c)(1)(A), (c)(2)(A), or (c)(3), flow-through funds
20 from rebates from pharmacy wholesalers that are distributed to the
21 pharmacy cooperative's shareholders. A taxable entity that
22 provides a pharmacy network shall exclude from its total revenue,
23 to the extent included under Subsection (c)(1)(A), (c)(2)(A), or
24 (c)(3), reimbursements, pursuant to contractual agreements, for
25 payments to pharmacies in the pharmacy network.

26 (g-8) A taxable entity that is primarily engaged in the
27 business of transporting aggregates shall exclude from its total

1 revenue, to the extent included under Subsection (c)(1)(A),
2 (c)(2)(A), or (c)(3), subcontracting payments made by the taxable
3 entity to independent contractors for the performance of delivery
4 services on behalf of the taxable entity. In this subsection,
5 "aggregates" means any commonly recognized construction material
6 removed or extracted from the earth, including dimension stone,
7 crushed and broken limestone, crushed and broken granite, other
8 crushed and broken stone, construction sand and gravel, industrial
9 sand, dirt, soil, cementitious material, and caliche.

10 (g-10) A taxable entity that is primarily engaged in the
11 business of transporting barite shall exclude from its total
12 revenue, to the extent included under Subsection (c)(1)(A),
13 (c)(2)(A), or (c)(3), subcontracting payments made by the taxable
14 entity to nonemployee agents for the performance of transportation
15 services on behalf of the taxable entity. For purposes of this
16 subsection, "barite" means barium sulfate (BaSO₄), a mineral used
17 as a weighing agent in oil and gas exploration.

18 (g-11) A taxable entity that is primarily engaged in the
19 business of performing landman services shall exclude from its
20 total revenue, to the extent included under Subsection (c)(1)(A),
21 (c)(2)(A), or (c)(3), subcontracting payments made by the taxable
22 entity to nonemployees for the performance of landman services on
23 behalf of the taxable entity. In this subsection, "landman
24 services" means:

25 (1) performing title searches for the purpose of
26 determining ownership of or curing title defects related to oil,
27 gas, or other related mineral or petroleum interests;

1 (2) negotiating the acquisition or divestiture of
2 mineral rights for the purpose of the exploration, development, or
3 production of oil, gas, or other related mineral or petroleum
4 interests; or

5 (3) negotiating or managing the negotiation of
6 contracts or other agreements related to the ownership of mineral
7 interests for the exploration, exploitation, disposition,
8 development, or production of oil, gas, or other related mineral or
9 petroleum interests.

10 (u) A taxable entity shall exclude from its total revenue
11 the actual cost paid by the taxable entity for a vaccine.

12 (v) A taxable entity primarily engaged in the business of
13 transporting goods by waterways that does not subtract cost of
14 goods sold in computing its taxable margin shall exclude from its
15 total revenue direct costs of providing transportation services by
16 intrastate or interstate waterways to the same extent that a
17 taxable entity that sells in the ordinary course of business real or
18 tangible personal property would be authorized by Section 171.1012
19 to subtract those costs as costs of goods sold in computing its
20 taxable margin, notwithstanding Section 171.1012(e)(3).

21 (x) A taxable entity that is registered as a motor carrier
22 under Chapter 643, Transportation Code, shall exclude from its
23 total revenue, to the extent included under Subsection (c)(1)(A),
24 (c)(2)(A), or (c)(3), flow-through revenue derived from taxes and
25 fees.

26 SECTION 8. Section 171.1011(p), Tax Code, is amended by
27 adding Subdivision (8) to read as follows:

1 (8) "Vaccine" means a preparation or suspension of
2 dead, live attenuated, or live fully virulent viruses or bacteria,
3 or of antigenic proteins derived from them, used to prevent,
4 ameliorate, or treat an infectious disease.

5 **SECTION 9.** Section 171.1012, Tax Code, is amended by adding
6 Subsections (k-2) and (k-3) to read as follows:

7 (k-2) This subsection applies only to a pipeline entity: (1)
8 that owns or leases and operates the pipeline by which the product
9 is transported for others and only to that portion of the product to
10 which the entity does not own title; and (2) that is primarily
11 engaged in gathering, storing, transporting, or processing crude
12 oil, including finished petroleum products, natural gas,
13 condensate, and natural gas liquids, except for a refinery
14 installation that manufactures finished petroleum products from
15 crude oil. Notwithstanding Subsection (e)(3) or (i), a pipeline
16 entity providing services for others related to the product that
17 the pipeline does not own and to which this subsection applies may
18 subtract as a cost of goods sold its depreciation, operations, and
19 maintenance costs allowed by this section related to the services
20 provided.

21 (k-3) For purposes of Subsection (k-2), "processing" means
22 the physical or mechanical removal, separation, or treatment of
23 crude oil, including finished petroleum products, natural gas,
24 condensate, and natural gas liquids after those materials are
25 produced from the earth. The term does not include the chemical or
26 biological transformation of those materials.

27 SECTION 10. (a) Section 171.1012, Tax Code, is amended by

1 adding Subsection (t) to read as follows:

2 (t) If a taxable entity that is a movie theater elects to
3 subtract cost of goods sold, the cost of goods sold for the taxable
4 entity shall be the costs described by this section in relation to
5 the acquisition, production, exhibition, or use of a film or motion
6 picture, including expenses for the right to use the film or motion
7 picture.

8 (b) Section 171.1012(t), Tax Code, as added by this section,
9 is a clarification of existing law and does not imply that existing
10 law may be construed as inconsistent with the law as amended by this
11 section.

12 (c) This section takes effect September 1, 2013.

13 SECTION 11. Section 171.1014, Tax Code, is amended by
14 amending Subsection (d) and adding Subsection (j) to read as
15 follows:

16 (d) For purposes of Section 171.101, a combined group shall
17 make an election to subtract either cost of goods sold or
18 compensation that applies to all of its members, or \$1 million.
19 Regardless of the election, the taxable margin of the combined
20 group may not exceed the amount [~~70 percent of the combined group's~~
21 ~~total revenue from its entire business, as~~] provided by Section
22 171.101(a)(1)(A) for the combined group.

23 (j) Notwithstanding any other provision of this section, a
24 taxable entity that provides retail or wholesale electric utilities
25 may not be included as a member of a combined group that includes
26 one or more taxable entities that do not provide retail or wholesale
27 electric utilities if that combined group in the absence of this

1 subsection:

2 (1) would not meet the requirements of Section
3 171.002(c) solely because one or more members of the combined group
4 provide retail or wholesale electric utilities; and

5 (2) would have less than five percent of the combined
6 group's total revenue derived from providing retail or wholesale
7 electric utilities.

8 SECTION 12. Section 171.106, Tax Code, is amended by adding
9 Subsection (g) to read as follows:

10 (g) A receipt from Internet hosting as defined by Section
11 151.108(a) is a receipt from business done in this state only if the
12 customer to whom the service is provided is located in this state.

13 SECTION 13. (a) Subchapter C, Chapter 171, Tax Code, is
14 amended by adding Section 171.109 to read as follows:

15 Sec. 171.109. DEDUCTION OF RELOCATION COSTS BY CERTAIN
16 TAXABLE ENTITIES FROM MARGIN APPORTIONED TO THIS STATE. (a) In
17 this section, "relocation costs" means the costs incurred by a
18 taxable entity to relocate the taxable entity's main office or
19 other principal place of business from one location to another. The
20 term includes:

21 (1) costs of relocating computers and peripherals,
22 other business supplies, furniture, and inventory; and

23 (2) any other costs related to the relocation that are
24 allowable deductions for federal income tax purposes.

25 (b) Subject to Subsection (c), a taxable entity may deduct
26 from its apportioned margin relocation costs incurred in relocating
27 the taxable entity's main office or other principal place of

1 business to this state from another state if the taxable entity:

2 (1) did not do business in this state before
3 relocating the taxable entity's main office or other principal
4 place of business to this state; and

5 (2) is not a member of an affiliated group engaged in a
6 unitary business, another member of which is doing business in this
7 state on the date the taxable entity relocates the taxable entity's
8 main office or other principal place of business to this state.

9 (c) A taxable entity must take the deduction authorized by
10 Subsection (b) on the report based on the taxable entity's initial
11 period described by Section 171.151(1).

12 (d) On the comptroller's request, a taxable entity that
13 takes a deduction authorized by this section shall file with the
14 comptroller proof of the deducted relocation costs.

15 (b) The change in law made by this section applies only to a
16 taxable entity that relocates the taxable entity's main office or
17 other principal place of business to this state on or after the
18 effective date of this section.

19 (c) This section takes effect September 1, 2013.

20 SECTION 14. (a) Chapter 171, Tax Code, is amended by adding
21 Subchapter S to read as follows:

22 SUBCHAPTER S. TAX CREDIT FOR CERTIFIED REHABILITATION OF CERTIFIED
23 HISTORIC STRUCTURES

24 Sec. 171.901. DEFINITIONS. In this subchapter:

25 (1) "Certified historic structure" means a property in
26 this state that is:

27 (A) listed individually in the National Register

1 of Historic Places;

2 (B) designated as a Recorded Texas Historic
3 Landmark under Section 442.006, Government Code, or as a state
4 archeological landmark under Chapter 191, Natural Resources Code;
5 or

6 (C) certified by the commission as contributing
7 to the historic significance of:

8 (i) a historic district listed in the
9 National Register of Historic Places; or

10 (ii) a local district certified by the
11 United States Department of the Interior in accordance with 36
12 C.F.R. Section 67.9.

13 (2) "Certified rehabilitation" means the
14 rehabilitation of a certified historic structure that the
15 commission has certified as meeting the United States secretary of
16 the interior's Standards for Rehabilitation as defined in 36 C.F.R.
17 Section 67.7.

18 (3) "Commission" means the Texas Historical
19 Commission.

20 (4) "Eligible costs and expenses" means qualified
21 rehabilitation expenditures as defined by Section 47(c)(2),
22 Internal Revenue Code.

23 Sec. 171.902. ELIGIBILITY FOR CREDIT. An entity is
24 eligible to apply for a credit in the amount and under the
25 conditions and limitations provided by this subchapter against the
26 tax imposed under this chapter.

27 Sec. 171.903. QUALIFICATION. An entity is eligible for a

1 credit for eligible costs and expenses incurred in the certified
2 rehabilitation of a certified historic structure as provided by
3 this subchapter if:

4 (1) the rehabilitated certified historic structure is
5 placed in service on or after September 1, 2013;

6 (2) the entity has an ownership interest in the
7 certified historic structure in the year during which the structure
8 is placed in service after the rehabilitation; and

9 (3) the total amount of the eligible costs and
10 expenses incurred exceeds \$5,000.

11 Sec. 171.904. CERTIFICATION OF ELIGIBILITY. (a) Before
12 claiming, selling, or assigning a credit under this subchapter, the
13 entity that incurred the eligible costs and expenses in the
14 rehabilitation of a certified historic structure must request from
15 the commission a certificate of eligibility on which the commission
16 certifies that the work performed meets the definition of a
17 certified rehabilitation. The entity must include with the
18 entity's request:

19 (1) information on the property that is sufficient for
20 the commission to determine whether the property meets the
21 definition of a certified historic structure; and

22 (2) information on the rehabilitation, and
23 photographs before and after work is performed, sufficient for the
24 commission to determine whether the rehabilitation meets the United
25 States secretary of the interior's Standards for Rehabilitation as
26 defined in 36 C.F.R. Section 67.7.

27 (b) The commission shall issue a certificate of eligibility

1 to an entity that has incurred eligible costs and expenses as
2 provided by this subchapter. The certificate must:

3 (1) confirm that:

4 (A) the property to which the eligible costs and
5 expenses relate is a certified historic structure; and

6 (B) the rehabilitation qualifies as a certified
7 rehabilitation; and

8 (2) specify the date the certified historic structure
9 was first placed in service after the rehabilitation.

10 (c) The entity must forward the certificate of eligibility
11 and the following documentation to the comptroller to claim the tax
12 credit:

13 (1) an audited cost report issued by a certified
14 public accountant, as defined by Section 901.002, Occupations Code,
15 that itemizes the eligible costs and expenses incurred in the
16 certified rehabilitation of the certified historic structure by the
17 entity;

18 (2) the date the certified historic structure was
19 first placed in service after the rehabilitation and evidence of
20 that placement in service; and

21 (3) an attestation of the total eligible costs and
22 expenses incurred by the entity on the rehabilitation of the
23 certified historic structure.

24 (d) For purposes of approving the tax credit under
25 Subsection (c), the comptroller may rely on the audited cost report
26 provided by the entity that requested the tax credit.

27 (e) An entity that sells or assigns a credit under this

1 subchapter to another entity shall provide a copy of the
2 certificate of eligibility, together with the audited cost report,
3 to the purchaser or assignee.

4 Sec. 171.905. AMOUNT OF CREDIT; LIMITATIONS. (a) The total
5 amount of the credit under this subchapter with respect to the
6 rehabilitation of a single certified historic structure that may be
7 claimed may not exceed 25 percent of the total eligible costs and
8 expenses incurred in the certified rehabilitation of the certified
9 historic structure.

10 (b) The total credit claimed for a report, including the
11 amount of any carryforward under Section 171.906, may not exceed
12 the amount of franchise tax due for the report after any other
13 applicable tax credits.

14 (c) Eligible costs and expenses may only be counted once in
15 determining the amount of the tax credit available, and more than
16 one entity may not claim a credit for the same eligible costs and
17 expenses.

18 Sec. 171.906. CARRYFORWARD. (a) If an entity is eligible
19 for a credit that exceeds the limitation under Section 171.905(b),
20 the entity may carry the unused credit forward for not more than
21 five consecutive reports.

22 (b) A carryforward is considered the remaining portion of a
23 credit that cannot be claimed in the current year because of the
24 limitation under Section 171.905(b).

25 Sec. 171.907. APPLICATION FOR CREDIT. (a) An entity must
26 apply for a credit under this subchapter on or with the report for
27 the period for which the credit is claimed.

1 (b) An entity shall file with any report on which the credit
2 is claimed a copy of the certificate of eligibility issued by the
3 commission under Section 171.904 and any other information required
4 by the comptroller to sufficiently demonstrate that the entity is
5 eligible for the credit.

6 (c) The burden of establishing eligibility for and the value
7 of the credit is on the entity.

8 Sec. 171.908. SALE OR ASSIGNMENT OF CREDIT. (a) An entity
9 that incurs eligible costs and expenses may sell or assign all or
10 part of the credit that may be claimed for those costs and expenses
11 to one or more entities, and any entity to which all or part of the
12 credit is sold or assigned may sell or assign all or part of the
13 credit to another entity. There is no limit on the total number of
14 transactions for the sale or assignment of all or part of the total
15 credit authorized under this subchapter, however, collectively all
16 transfers are subject to the maximum total limits provided by
17 Section 171.905.

18 (b) An entity that sells or assigns a credit under this
19 section and the entity to which the credit is sold or assigned shall
20 jointly submit written notice of the sale or assignment to the
21 comptroller on a form promulgated by the comptroller not later than
22 the 30th day after the date of the sale or assignment. The notice
23 must include:

- 24 (1) the date of the sale or assignment;
25 (2) the amount of the credit sold or assigned;
26 (3) the names and federal tax identification numbers
27 of the entity that sold or assigned the credit or part of the credit

1 and the entity to which the credit or part of the credit was sold or
2 assigned; and

3 (4) the amount of the credit owned by the selling or
4 assigning entity before the sale or assignment, and the amount the
5 selling or assigning entity retained, if any, after the sale or
6 assignment.

7 (c) The sale or assignment of a credit in accordance with
8 this section does not extend the period for which a credit may be
9 carried forward and does not increase the total amount of the credit
10 that may be claimed. After an entity claims a credit for eligible
11 costs and expenses, another entity may not use the same costs and
12 expenses as the basis for claiming a credit.

13 (d) Notwithstanding the requirements of this subchapter, a
14 credit earned or purchased by, or assigned to, a partnership,
15 limited liability company, S corporation, or other pass-through
16 entity may be allocated to the partners, members, or shareholders
17 of that entity and claimed under this subchapter in accordance with
18 the provisions of any agreement among the partners, members, or
19 shareholders and without regard to the ownership interest of the
20 partners, members, or shareholders in the rehabilitated certified
21 historic structure, provided that the entity that claims the credit
22 must be subject to the tax imposed under this chapter.

23 Sec. 171.909. RULES. The commission and the comptroller
24 shall adopt rules necessary to implement this subchapter.

25 (b) This section takes effect January 1, 2015.

26 SECTION 15. Sections 171.0021, 171.1016(d), and 171.103(c)
27 and (d), Tax Code, are repealed.

1 SECTION 16. Section 1(c), Chapter 286 (H.B. 4765), Acts of
2 the 81st Legislature, Regular Session, 2009, as amended by Section
3 37.01, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called
4 Session, 2011, is repealed.

5 SECTION 17. Section 2, Chapter 286 (H.B. 4765), Acts of the
6 81st Legislature, Regular Session, 2009, as amended by Section
7 37.02, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called
8 Session, 2011, and which amended former Subsection (d), Section
9 171.002, Tax Code, is repealed.

10 SECTION 18. Section 3, Chapter 286 (H.B. 4765), Acts of the
11 81st Legislature, Regular Session, 2009, as amended by Section
12 37.03, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called
13 Session, 2011, and which amended former Subsection (a), Section
14 171.0021, Tax Code, is repealed.

15 SECTION 19. This Act applies only to a report originally due
16 on or after the effective date of this Act.

17 SECTION 20. Except as otherwise provided by this Act, this
18 Act takes effect January 1, 2014.

President of the Senate

Speaker of the House

I certify that H.B. No. 500 was passed by the House on May 8, 2013, by the following vote: Yeas 117, Nays 24, 7 present, not voting; that the House refused to concur in Senate amendments to H.B. No. 500 on May 24, 2013, and requested the appointment of a conference committee to consider the differences between the two houses; that the House adopted the conference committee report on H.B. No. 500 on May 26, 2013, by the following vote: Yeas 131, Nays 14, 1 present, not voting; and that the House adopted H.C.R. No. 221 authorizing certain corrections in H.B. No. 500 on May 27, 2013, by the following vote: Yeas 145, Nays 3, 2 present, not voting.

Chief Clerk of the House

H.B. No. 500

I certify that H.B. No. 500 was passed by the Senate, with amendments, on May 21, 2013, by the following vote: Yeas 31, Nays 0; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; that the Senate adopted the conference committee report on H.B. No. 500 on May 26, 2013, by the following vote: Yeas 27, Nays 4; and that the Senate adopted H.C.R. No. 221 authorizing certain corrections in H.B. No. 500 on May 27, 2013, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor