

By: Schofield

H.B. No. 4457

A BILL TO BE ENTITLED

AN ACT

relating to the location where certain sales are consummated for purposes of local sales and use taxes.

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

SECTION 1. Section 321.203(e), Tax Code, is amended to read as follows:

(e) If Subsections (b), (c), (c-1), and (d) do not apply, a
[A] sale of a taxable item is consummated at the location in this state where the item was stored immediately before shipment, delivery, or transfer of possession to the customer ~~[to which the item is shipped or delivered or at which possession is taken by the customer if transfer of possession of the item occurs at, or shipment or delivery of the item originates from, a location in this state other than a place of business of the retailer and if:~~

~~[(1) the retailer is an itinerant vendor who has no place of business in this state,~~

~~[(2) the retailer's place of business where the purchase order is initially received or from which the retailer's agent or employee who took the order operates is outside this state,~~
~~or~~

~~[(3) the purchaser places the order directly with the retailer's supplier and the item is shipped or delivered directly to the purchaser by the supplier].~~

SECTION 2. Section 323.203(e), Tax Code, is amended to read

1 as follows:

2 (e) If Subsections (b), (c), (c-1), and (d) do not apply, a
3 [A] sale of a taxable item is consummated at the location in this
4 state where the item was stored immediately before shipment,
5 delivery, or transfer of possession to the customer ~~[to which the~~
6 ~~item is shipped or delivered or at which possession is taken by the~~
7 ~~customer if transfer of possession of the item occurs at, or~~
8 ~~shipment or delivery of the item originates from, a location in this~~
9 ~~state other than a place of business of the retailer and if:~~

10 ~~[(1) the retailer is an itinerant vendor who has no~~
11 ~~place of business in this state;~~

12 ~~[(2) the retailer's place of business where the~~
13 ~~purchase order is initially received or from which the retailer's~~
14 ~~agent or employee who took the order operates is outside this state;~~
15 ~~or~~

16 ~~[(3) the purchaser places the order directly with the~~
17 ~~retailer's supplier and the item is shipped or delivered directly~~
18 ~~to the purchaser by the supplier].~~

19 SECTION 3. The change in law made by this Act does not
20 affect tax liability accruing before the effective date of this
21 Act. That liability continues in effect as if this Act had not been
22 enacted, and the former law is continued in effect for the
23 collection of taxes due and for civil and criminal enforcement of
24 the liability for those taxes.

25 SECTION 4. This Act takes effect September 1, 2021.