

By: Thompson of Brazoria

H.B. No. 201

A BILL TO BE ENTITLED

1 AN ACT
2 relating to an exemption for policies issued to school districts
3 and open-enrollment charter schools from insurance premium and
4 maintenance taxes.

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

6 SECTION 1. Chapter 203, Insurance Code, is amended by
7 adding Section 203.003 to read as follows:

8 Sec. 203.003. EXEMPTION FROM PREMIUM AND MAINTENANCE TAXES
9 FOR PUBLIC SCHOOL POLICIES. (a) Notwithstanding any other law, an
10 insurer is not liable for premium or maintenance taxes on a policy
11 issued to a school district or open-enrollment charter school.

12 (b) To qualify for an exemption under this section, the
13 insurer must keep on file a form, signed and dated by an authorized
14 representative of the school district or open-enrollment charter
15 school, affirming that the policy is for a school district or
16 open-enrollment charter school that is eligible to receive funding
17 from the Foundation School Program under Chapter 48, Education
18 Code.

19 (c) The comptroller and the commissioner may adopt rules
20 necessary to implement this section.

21 SECTION 2. Section 281.006, Insurance Code, is amended by
22 adding Subsection (a) to read as follows:

23 (a) In determining an insurer's taxes or other charges under
24 this subchapter, the comptroller shall consider the insurer to be

1 liable for taxes for which an exemption is provided under Section
2 203.003 as if that section did not exist.

3 SECTION 3. The changes in law made by this Act apply only to
4 a tax report originally due on or after the effective date of this
5 Act.

6 SECTION 4. This Act takes effect on the 91st day after the
7 last day of the legislative session.