

By: Oliverson

H.B. No. 1280

A BILL TO BE ENTITLED

AN ACT

relating to the determination of compensation and reporting requirements for the franchise tax.

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

SECTION 1. Section 171.1013, Tax Code, is amended by adding Subsection (b-2) to read as follows:

(b-2) Notwithstanding Subsections (b) and (b-1) and subject to Section 171.1014, a taxable entity that elects to subtract compensation for the purpose of computing its taxable margin under Section 171.101 may not subtract the cost of health care benefits provided to the entity's officers, directors, owners, partners, or employees, if:

(1) the health care benefits include coverage for items or services that facilitate access to abortion, including travel vouchers; or

(2) the entity provides sick leave as a benefit to the entity's officers, directors, owners, partners, or employees for purposes of procuring an abortion or for a recovery period following an abortion.

SECTION 2. Section 171.201(a), Tax Code, is amended to read as follows:

(a) Except as provided by Section 171.2022, a taxable entity on which the franchise tax is imposed shall file an initial report with the comptroller containing:

1           (1) financial information of the taxable entity  
2 necessary to compute the tax under this chapter;

3           (2) the name and address of:

4                 (A) each officer, director, and manager of the  
5 taxable entity;

6                 (B) for a limited partnership, each general  
7 partner;

8                 (C) for a general partnership or limited  
9 liability partnership, each managing partner or, if there is not a  
10 managing partner, each partner; or

11                 (D) for a trust, each trustee;

12           (3) the name and address of the agent of the taxable  
13 entity designated under Section 171.354;

14                 (3-a) a certification as to whether the taxable entity  
15 provides health care benefits that include the coverage described  
16 by Section 171.1013(b-2) or sick leave described by that  
17 subsection; and

18           (4) other information required by the comptroller.

19           SECTION 3. Section 171.202(a), Tax Code, is amended to read  
20 as follows:

21           (a) Except as provided by Section 171.2022, a taxable entity  
22 on which the franchise tax is imposed shall file an annual report  
23 with the comptroller containing:

24                 (1) financial information of the taxable entity  
25 necessary to compute the tax under this chapter;

26                 (2) the name and address of each officer and director  
27 of the taxable entity;

1           (3) the name and address of the agent of the taxable  
2 entity designated under Section 171.354;

3           (3-a) a certification as to whether the taxable entity  
4 provides health care benefits that include the coverage described  
5 by Section 171.1013(b-2) or sick leave described by that  
6 subsection; and

7           (4) other information required by the comptroller.

8           SECTION 4. This Act applies only to a report originally due  
9 on or after the effective date of this Act.

10          SECTION 5. This Act takes effect January 1, 2024.