

By: Turner

H.B. No. 2535

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the exclusion of certain medical services performed to  
3 determine an appropriate level of workers' compensation benefits  
4 from sales and use taxes.

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

6 SECTION 1. Section [151.0039](#)(b), Tax Code, is amended to  
7 read as follows:

8 (b) "Insurance service" does not include:

9 (1) insurance coverage for which a premium is paid or  
10 commissions paid to insurance agents for the sale of insurance or  
11 annuities;

12 (2) a service performed on behalf of an insured by a  
13 person licensed under Chapter [4102](#), Insurance Code;

14 (3) a service performed by a certified public  
15 accountancy firm, if less than one percent of the firm's total  
16 revenue in the prior calendar year is from services in this state  
17 that would otherwise constitute insurance service under Subsection  
18 (a);

19 (4) a service performed on behalf of a certified  
20 public accountancy firm by an owner of the firm or a member of the  
21 firm's affiliated group, if less than one percent of the owner's or  
22 member's total revenue in the prior calendar year is from services  
23 in this state that would otherwise constitute insurance service  
24 under Subsection (a); [~~or~~]

1           (5) a medical or dental billing service performed  
2 before the original submission of:

3           (A) a medical or dental insurance claim related  
4 to health or dental coverage; or

5           (B) a claim related to health or dental coverage  
6 made to a medical assistance program funded by the federal  
7 government, a state government, or both; or

8           (6) a medical service performed to determine the  
9 appropriate level of benefits under Subtitle A, Title 5, Labor  
10 Code, including:

11           (A) a medical examination ordered by the  
12 commissioner of workers' compensation under Section 408.004 or  
13 408.0041, Labor Code;

14           (B) a medical examination requested by an  
15 insurance carrier or employee under Section 408.0041, Labor Code;

16           (C) a medical examination or test:  
17                   (i) performed by a health care provider  
18 under a referral by another health care provider; and

19                   (ii) related to a medical examination  
20 described by Paragraph (A) or (B); or

21           (D) a medical examination to determine an  
22 employee's:

23                   (i) impairment rating; or

24                   (ii) maximum medical improvement.

25           SECTION 2. Section 151.0039(c), Tax Code, is amended by  
26 adding Subdivision (2-a) to read as follows:

27           (2-a) "Impairment rating" and "maximum medical

1 improvement" have the meanings assigned by Section 401.011, Labor  
2 Code.

3           SECTION 3. The changes in law made by this Act do not affect  
4 tax liability accruing before the effective date of this Act. That  
5 liability continues in effect as if this Act had not been enacted,  
6 and the former law is continued in effect for the collection of  
7 taxes due and for civil and criminal enforcement of the liability  
8 for those taxes.

9           SECTION 4. This Act takes effect immediately if it receives  
10 a vote of two-thirds of all the members elected to each house, as  
11 provided by Section 39, Article III, Texas Constitution. If this  
12 Act does not receive the vote necessary for immediate effect, this  
13 Act takes effect September 1, 2023.