

By: Tinderholt

H.B. No. 4743

A BILL TO BE ENTITLED

AN ACT

relating to imposing a tax on certain out-of-state money transmissions.

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

SECTION 1. Subtitle E, Title 2, Tax Code, is amended by adding Chapter 164 to read as follows:

CHAPTER 164. TAX ON CERTAIN OUT-OF-STATE MONEY TRANSMISSIONS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 164.0001. DEFINITIONS. In this chapter:

(1) "Money transmission" has the meaning assigned by Section 151.301, Finance Code.

(2) "Money transmission business" means a person required to be licensed under Subchapter D, Chapter 151, Finance Code.

Sec. 164.0002. APPLICATION OF OTHER PROVISIONS OF CODE. Except as provided by this chapter:

(1) the tax imposed by this chapter is administered, imposed, collected, and enforced in the same manner as the tax under Chapter 151 is administered, imposed, collected, and enforced; and

(2) the provisions of Chapter 151 applicable to the sales tax imposed under Subchapter C, Chapter 151, apply to the tax imposed by this chapter.

SUBCHAPTER B. IMPOSITION, AMOUNT, AND COLLECTION OF TAX

Sec. 164.0021. TAX IMPOSED. (a) A tax is imposed on each

1 money transmission out of this state to a foreign country that is  
2 facilitated by a money transmission business.

3 (b) The amount of the tax shall be added by the money  
4 transmission business to the price charged to the person initiating  
5 the money transmission.

6 Sec. 164.0022. AMOUNT OF TAX. The amount of the tax is  
7 equal to 10 percent of the amount of the money transmission.

8 Sec. 164.0023. COLLECTION AND REMITTANCE OF TAX. On or  
9 before the 25th day of each month, each money transmission business  
10 that initiated at least one money transmission subject to the tax  
11 imposed by this chapter during the preceding month shall send to the  
12 comptroller the amount of tax collected by the business during that  
13 month.

14 Sec. 164.0024. REPORTS. On or before the 25th day of each  
15 month, each money transmission business that initiated at least one  
16 money transmission subject to the tax imposed by this chapter  
17 during the preceding month shall file with the comptroller a report  
18 stating:

19 (1) the total amount of money transmitted during the  
20 preceding month that is subject to the tax imposed under this  
21 chapter; and

22 (2) any other information the comptroller finds is  
23 necessary to determine the amount of tax the money transmission  
24 business is required to collect during the period covered by the  
25 report.

26 Sec. 164.0025. RECORDS. Each money transmission business  
27 required to collect the tax imposed by this chapter shall keep a

1 complete record of:

2 (1) the total amount of money transmitted by the  
3 business that is subject to the tax imposed under this chapter; and

4 (2) any other information required by the comptroller  
5 related to the tax imposed under this chapter.

6 SUBCHAPTER C. DISPOSITION OF PROCEEDS

7 Sec. 164.0051. DISPOSITION OF PROCEEDS. The comptroller  
8 shall deposit the proceeds from the collection of the tax imposed  
9 under this chapter to the credit of the general revenue fund.

10 SECTION 2. This Act takes effect September 1, 2023.