

1-1 By: Schwertner S.B. No. 1122  
 1-2 (In the Senate - Filed February 22, 2023; March 9, 2023,  
 1-3 read first time and referred to Committee on Business & Commerce;  
 1-4 March 31, 2023, reported adversely, with favorable Committee  
 1-5 Substitute by the following vote: Yeas 11, Nays 0; March 31, 2023,  
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 1122 By: Schwertner

1-21 A BILL TO BE ENTITLED  
 1-22 AN ACT

1-23 relating to the exclusion of certain medical services performed to  
 1-24 determine an appropriate level of workers' compensation benefits  
 1-25 from sales and use taxes.

1-26 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-27 SECTION 1. Section 151.0039(b), Tax Code, is amended to  
 1-28 read as follows:

1-29 (b) "Insurance service" does not include:

1-30 (1) insurance coverage for which a premium is paid or  
 1-31 commissions paid to insurance agents for the sale of insurance or  
 1-32 annuities;

1-33 (2) a service performed on behalf of an insured by a  
 1-34 person licensed under Chapter 4102, Insurance Code;

1-35 (3) a service performed by a certified public  
 1-36 accountancy firm, if less than one percent of the firm's total  
 1-37 revenue in the prior calendar year is from services in this state  
 1-38 that would otherwise constitute insurance service under Subsection  
 1-39 (a);

1-40 (4) a service performed on behalf of a certified  
 1-41 public accountancy firm by an owner of the firm or a member of the  
 1-42 firm's affiliated group, if less than one percent of the owner's or  
 1-43 member's total revenue in the prior calendar year is from services  
 1-44 in this state that would otherwise constitute insurance service  
 1-45 under Subsection (a); ~~or~~

1-46 (5) a medical or dental billing service performed  
 1-47 before the original submission of:

1-48 (A) a medical or dental insurance claim related  
 1-49 to health or dental coverage; or

1-50 (B) a claim related to health or dental coverage  
 1-51 made to a medical assistance program funded by the federal  
 1-52 government, a state government, or both; or

1-53 (6) a medical service, examination, or test required  
 1-54 or authorized under Chapter 408, Labor Code, for the purpose of  
 1-55 determining the appropriate level of benefits under that chapter.

1-56 SECTION 2. The changes in law made by this Act do not affect  
 1-57 tax liability accruing before the effective date of this Act. That  
 1-58 liability continues in effect as if this Act had not been enacted,  
 1-59 and the former law is continued in effect for the collection of  
 1-60 taxes due and for civil and criminal enforcement of the liability

2-1 for those taxes.

2-2 SECTION 3. This Act takes effect immediately if it receives  
2-3 a vote of two-thirds of all the members elected to each house, as  
2-4 provided by Section 39, Article III, Texas Constitution. If this  
2-5 Act does not receive the vote necessary for immediate effect, this  
2-6 Act takes effect September 1, 2023.

2-7

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