

1-1 By: Perry S.B. No. 1614
 1-2 (In the Senate - Filed March 6, 2023; March 16, 2023, read
 1-3 first time and referred to Committee on Finance; April 5, 2023,
 1-4 reported adversely, with favorable Committee Substitute by the
 1-5 following vote: Yeas 17, Nays 0; April 5, 2023, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
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	X			
1-21	X			
1-22	X			
1-23	X			
1-24	X			

1-25 COMMITTEE SUBSTITUTE FOR S.B. No. 1614 By: Perry

1-26 A BILL TO BE ENTITLED
 1-27 AN ACT

1-28 relating to the computation of the cost of goods sold by television
 1-29 and radio broadcasters for purposes of the franchise tax.

1-30 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-31 SECTION 1. Section 171.1012(o), Tax Code, is amended to
 1-32 read as follows:

1-33 (o) If a taxable entity, including a taxable entity with
 1-34 respect to which cost of goods sold is determined pursuant to
 1-35 Section 171.1014(e)(1), whose principal business activity is film
 1-36 or television production, television or radio broadcasting, ~~or~~
 1-37 the distribution of tangible personal property described by
 1-38 Subsection (a)(3)(A)(ii), or any combination of these activities,
 1-39 elects to subtract cost of goods sold, the cost of goods sold for
 1-40 the taxable entity shall be the costs described in this section in
 1-41 relation to the property and include depreciation, amortization,
 1-42 and other expenses directly related to the acquisition, production,
 1-43 or use of the property, including expenses for the right to
 1-44 broadcast or use the property. For purposes of this subsection,
 1-45 "television or radio broadcasting" means television or radio
 1-46 broadcasting under a television or radio broadcast license issued
 1-47 by the Federal Communications Commission and regulated under 47
 1-48 C.F.R. Part 73 or 74.

1-49 SECTION 2. The amendment made by this Act is a clarification
 1-50 of existing law and does not imply that existing law may be
 1-51 construed as inconsistent with the law as amended by this Act.

1-52 SECTION 3. This Act takes effect immediately if it receives
 1-53 a vote of two-thirds of all the members elected to each house, as
 1-54 provided by Section 39, Article III, Texas Constitution. If this
 1-55 Act does not receive the vote necessary for immediate effect, this
 1-56 Act takes effect September 1, 2023.

1-57 * * * * *