

BILL ANALYSIS

S.B. 658
By: Brimer
Local Government Ways and Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

During the 77th Legislature, S.B. 248 eliminated ad valorem taxes for vehicles leased primarily for personal use. The exemption does not apply in a municipality if the municipality's governing body adopted an ordinance before January 1, 2002, providing for the continued taxation of leased motor vehicles. However, the legislation included a provision that if the exemption was not continued by the legislature, it would expire December 31, 2003. As proposed, S.B. 658 would make permanent the exemption from ad valorem taxes on motor vehicles leased for personal use.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Repealer: Section 11.252(g), Tax Code (Motor Vehicles Leased for Personal Use).

SECTION 2. Effective date: upon passage or September 1, 2003.

EFFECTIVE DATE

Upon passage or September 1, 2003.