

By: Burnam

H.B. No. 1486

A BILL TO BE ENTITLED

AN ACT

relating to the imposition of a tax on the purchase of coal in this state; providing penalties.

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

SECTION 1. Subtitle E, Title 2, Tax Code, is amended by adding Chapter 162 to read as follows:

CHAPTER 162. COAL TAX

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 162.001. DEFINITIONS. In this chapter:

(1) "Coal" includes lignite.

(2) "Lignite" means coal commonly referred to as brown coal, of intermediate grade between peat and bituminous coal.

(3) "Use" includes storage for use in this state, but does not include:

(A) the use by a producer of coal who owns the coal in place and who produces the coal for the producer's own use;
or

(B) the storage for use or shipment out of this state.

[Sections 162.002-162.020 reserved for expansion]

SUBCHAPTER B. IMPOSITION AND COLLECTION OF TAX

Sec. 162.021. TAX IMPOSED. (a) A tax is imposed on the purchase in this state of coal for use in this state.

(b) A tax is imposed on the use of coal in this state.

1 Sec. 162.022. RATE OF TAX. The rate of the taxes imposed by
2 this chapter is 7.5 percent of the total price paid for the coal,
3 without regard to where the purchase occurs, delivered at the site
4 at which the coal will be used, including transportation costs to
5 that site.

6 Sec. 162.023. USE TAX DEDUCTION. A person may deduct from
7 the amount of tax otherwise imposed by Section 162.021(b) the
8 amount of tax reported and paid under Section 162.021(a).

9 Sec. 162.024. PAYMENT OF TAX. On or before the 25th day of
10 each month, each person on whom a tax is imposed by this chapter
11 shall send to the comptroller the amount of tax due under this
12 chapter for the preceding month.

13 Sec. 162.025. REPORTS. On or before the 25th day of each
14 month, each person on whom a tax is imposed by this chapter shall
15 file with the comptroller a report stating:

16 (1) the amount of coal purchased by the person for use
17 in this state and used in this state during the preceding month;

18 (2) the total price of that coal; and

19 (3) any other information required by the comptroller.

20 Sec. 162.026. RECORDS. A person on whom a tax is imposed by
21 this chapter shall keep a complete record of:

22 (1) the amount of coal purchased by the person for use
23 in this state;

24 (2) the use of coal in this state by the person; and

25 (3) any other information required by the comptroller.

26 [Sections 162.027-162.050 reserved for expansion]

27 SUBCHAPTER C. PENALTIES AND OFFENSES

1 Sec. 162.051. INTEREST ON DELINQUENT TAX. A tax imposed by
2 this chapter that is delinquent draws interest as provided by
3 Section 111.060.

4 Sec. 162.052. PENALTY. (a) A person on whom a tax is
5 imposed by this chapter and who fails to file a report as required
6 by this chapter or does not pay the tax when it is due forfeits to
7 the state a penalty of 12 percent of the amount of tax delinquent.

8 (b) If a report required by this chapter is not filed or a
9 tax imposed by this chapter is not paid within 30 days after it is
10 due, the person on whom the tax is imposed forfeits to the state a
11 penalty of an additional 12 percent of the amount of tax delinquent.

12 (c) The minimum penalty under this section is \$1.

13 Sec. 162.053. CRIMINAL PENALTY. (a) A person who violates
14 this chapter commits an offense.

15 (b) An offense under this section is a Class C misdemeanor.

16 [Sections 162.054-162.070 reserved for expansion]

17 SUBCHAPTER D. ALLOCATION AND USE

18 Sec. 162.071. ALLOCATION OF TAX REVENUE. All of the
19 revenue from the tax imposed by this chapter shall be deposited to
20 the credit of the general revenue fund.

21 SECTION 2. This Act takes effect immediately if it receives
22 a vote of two-thirds of all the members elected to each house, as
23 provided by Section 39, Article III, Texas Constitution. If this
24 Act does not receive the vote necessary for immediate effect, this
25 Act takes effect September 1, 2003.