

By: Coleman

H.B. No. 2281

A BILL TO BE ENTITLED

AN ACT

relating to taxes and fees.

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

SECTION 1. Subchapter A, Chapter 151, Tax Code, is amended by adding Section 151.0041 to read as follows:

Sec. 151.0041. LEGAL SERVICES. "Legal services" means an act or activity constituting the practice of law and any other act or activity provided by an attorney-at-law licensed by the Supreme Court of Texas to a client in connection with the practice of law. The term also includes services provided by a paralegal or a legal secretary employed by an attorney-at-law and provided to the attorney's client in connection with the practice of law.

SECTION 2. Section 151.0101(a), Tax Code, is amended to read as follows:

(a) "Taxable services" means:

- (1) amusement services;
- (2) cable television services;
- (3) personal services;
- (4) motor vehicle parking and storage services;
- (5) the repair, remodeling, maintenance, and restoration of tangible personal property, except:

(A) aircraft;

(B) a ship, boat, or other vessel, other than:

(i) a taxable boat or motor as defined by

1 Section 160.001;

2 (ii) a sports fishing boat; or

3 (iii) any other vessel used for pleasure;

4 (C) the repair, maintenance, and restoration of a  
5 motor vehicle; and

6 (D) the repair, maintenance, creation, and  
7 restoration of a computer program, including its development and  
8 modification, not sold by the person performing the repair,  
9 maintenance, creation, or restoration service;

10 (6) telecommunications services;

11 (7) credit reporting services;

12 (8) debt collection services;

13 (9) insurance services;

14 (10) information services;

15 (11) real property services;

16 (12) data processing services;

17 (13) real property repair and remodeling;

18 (14) security services;

19 (15) telephone answering services;

20 (16) Internet access service; ~~and~~

21 (17) a sale by a transmission and distribution  
22 utility, as defined in Section 31.002, Utilities Code, of  
23 transmission or delivery of service directly to an electricity  
24 end-use customer whose consumption of electricity is subject to  
25 taxation under this chapter; and

26 (18) legal services.

27 SECTION 3. Section 154.021(b), Tax Code, is amended to read

1 as follows:

2 (b) The tax rates are:

3 (1) \$20.51 [~~\$20.50~~] per thousand on cigarettes  
4 weighing three pounds or less per thousand; and

5 (2) the rate provided by Subdivision (1) plus \$2.10  
6 per thousand on cigarettes weighing more than three pounds per  
7 thousand.

8 SECTION 4. Section 171.853(a), Tax Code, as added by  
9 Chapter 1219, Acts of the 77th Legislature, Regular Session, 2001,  
10 is amended to read as follows:

11 (a) The amount of the credit is 11 [~~10~~] percent of the wages  
12 paid by the corporation for each qualified employee.

13 SECTION 5. Section 153.051(d), Occupations Code, is amended  
14 to read as follows:

15 (d) The board may not set, charge, collect, receive, or  
16 deposit any of the following fees in excess of:

17 (1) \$1,800 [~~\$900~~] for a license;

18 (2) \$600 [~~\$200~~] for a first annual registration  
19 permit;

20 (3) \$600 [~~\$200~~] for a temporary license;

21 (4) \$600 [~~\$200~~] for renewal of an annual registration  
22 permit;

23 (5) \$600 [~~\$200~~] for a physician-in-training permit;

24 (6) \$900 [~~\$300~~] for the processing of an application  
25 and the issuance of an annual registration for anesthesia in an  
26 outpatient setting;

27 (7) \$600 [~~\$200~~] for an endorsement to other state

1 medical boards;

2 (8) \$600 [~~\$200~~] for a duplicate license; or

3 (9) \$2,100 [~~\$700~~] for a reinstated license after  
4 cancellation for cause.

5 SECTION 6. (a) This Act takes effect September 1, 2003.

6 (b) The change in law made by this Act does not affect taxes  
7 or fees imposed before the effective date of this Act, and the  
8 former law is continued in effect for purposes of the liability for  
9 and collection of those taxes and fees.