

Amend **HB 3** on 3rd reading as follows:

(1) Add the following appropriately numbered section to Part A of Article 3 of the bill and renumber subsequent sections accordingly:

SECTION 3A.\_\_\_\_. (a) There are exempted from the increase in the rate of the tax imposed by Chapter 151, Tax Code, that is made by this part the receipts from the sale, use, or rental and the storage, use, or consumption in this state of taxable items, if:

(1) the items are used:

(A) for the performance of a contract for the improvement of real property entered into on or before July 8, 2005, if the contract is not subject to change or modification because of the tax rate increase made by this part; or

(B) pursuant to an obligation of a bid submitted for the improvement of real property submitted on or before July 8, 2005, if the bid may not be withdrawn, modified, or changed because of the tax rate increase made by this part; and

(2) an electronic or paper copy of the contract or bid on which the exemption is claimed is given by the taxpayer to the comptroller not later than October 1, 2005.

(b) The exemption provided by this section expires September 1, 2007.

(2) On page 36, line 16, between "2005." and "The", insert "The exemption provided by this section applies only if the taxpayer, not later than October 1, 2005, gives to the comptroller an electronic or paper copy of the contract or bid on which the exemption is claimed."

(3) Add the following appropriately numbered ARTICLE to the bill and renumber subsequent ARTICLES of the bill accordingly:

ARTICLE \_\_\_\_\_. SEXUALLY ORIENTED BUSINESS ADMISSIONS FEE

SECTION \_\_\_\_\_.01. Sections 47.001-47.004, Business & Commerce Code, as renumbered by **HB 2018**, Acts of the 79th Legislature, Regular Session, 2005, are redesignated as Subchapter A, Chapter 47, Business & Commerce Code, and a subchapter heading is added to read as follows:

SUBCHAPTER A. RESTRICTION ON OWNERS, OPERATORS, MANAGERS, OR  
EMPLOYEES OF SEXUALLY ORIENTED BUSINESSES

SECTION \_\_\_\_ .02. Section 47.001, Business & Commerce Code, as renumbered by **HB 2018**, Acts of the 79th Legislature, Regular Session, 2005, is amended to read as follows:

Sec. 47.001. DEFINITIONS. In this subchapter [~~chapter~~]:

(1) "Sex offender" means a person who has been convicted of or placed on deferred adjudication for an offense for which a person is subject to registration under Chapter 62, Code of Criminal Procedure.

(2) "Sexually oriented business" has the meaning assigned by Section 243.002, Local Government Code.

SECTION \_\_\_\_ .03. Chapter 47, Business & Commerce Code, as renumbered by **HB 2018**, Acts of the 79th Legislature, Regular Session, 2005, is amended by adding Subchapter B to read as follows:

SUBCHAPTER B. FEE ON ADMISSIONS TO CERTAIN SEXUALLY ORIENTED  
BUSINESSES

Sec. 47.051. DEFINITIONS. In this subchapter:

(1) "Nude" means:

(A) entirely unclothed; or

(B) clothed in a manner that leaves uncovered or visible through less than fully opaque clothing any portion of the breasts below the top of the areola of the breasts, if the person is female, or any portion of the genitals or buttocks.

(2) "Sexually oriented business" has the meaning assigned by Section 243.002, Local Government Code.

Sec. 47.052. ADMISSION FEE. (a) A fee is imposed on a sexually oriented business that provides live nude entertainment or performances in an amount equal to \$4 for each entry by each customer admitted to the business.

(b) For purposes of this section, the amount that a business charges a customer for admission includes a membership fee or a multiple-entry admission charge.

Sec. 47.053. REMISSION OF FEE TO COMPTROLLER; DEPOSIT IN GENERAL REVENUE. A sexually oriented business shall remit the fee imposed by Section 47.052 to the comptroller each quarter in the manner prescribed by the comptroller for deposit to the credit of the general revenue fund.

Sec. 47.054. ADMINISTRATION, COLLECTION, AND ENFORCEMENT.

The comptroller shall adopt any necessary rules for the administration, payment, collection, and enforcement of the fee imposed by this chapter.

SECTION \_\_\_\_.04. Subchapter B, Chapter 47, Business & Commerce Code, as added by this article, expires August 31, 2007.

SECTION \_\_\_\_.05. The fee imposed by Section 47.052, Business & Commerce Code, as added by this article, applies only to a customer admitted to a sexually oriented business on or after the effective date of this article.

SECTION \_\_\_\_.06. This article takes effect January 1, 2006.