

Amend **CSHB 3** in Section 171.1012, Tax Code, as added by SECTION 3 of the bill (page 31) by adding a new Subsection (c-1) to read as follows:

(c-1) Notwithstanding any other provision of this section, a taxable entity that is primarily engaged in retail trade may subtract as a cost of goods sold labor charges for the repair of:

- (1) products held for resale; and
- (2) products brought to the taxable entity for repair.