

Amend CSHB 3 on page 33, between lines 26 and 27, by inserting a new Section 171.1012(k-1) to read as follows:

(k-1) Notwithstanding any other provision of this section, the following taxable entities may subtract as a cost of goods sold the costs, including acquisition costs, otherwise allowed by this section in relation to tangible personal property that the entity rents or leases in the ordinary course of business of the entity:

(1) a motor vehicle rental or leasing company that remits a tax on gross receipts imposed under Section 152.026;

(2) a heavy construction equipment rental or leasing company; and

(3) a railcar rolling stock rental or leasing company.