

Amend CSHB 3 by inserting the following appropriately-numbered SECTION:

"SECTION ____ . Section 171.052, Tax Code, is amended to read as follows:

Sec. 171.052. CERTAIN CORPORATIONS. (a) Except as provided by Subsection (c), an [An] insurance organization, title insurance company, or title insurance agent authorized to engage in insurance business in this state now required to pay an annual tax under Chapter 4 or 9, Insurance Code, measured by its gross premium receipts is exempted from the franchise tax. A nonadmitted insurance organization that is required to pay a gross premium receipts tax during a tax year is exempted from the franchise tax for that same tax year.

(b) Farm mutuals, local mutual aid associations, and burial associations are not subject to the franchise tax.

(c) An entity is subject to the franchise tax for a tax year in any portion of which the entity has failed to pay premium refunds to policyholders ordered by the Texas Department of Insurance."