

Amend CSHB 3 as follows:

(1) On page 22, between lines 12 and 13, insert:

Sec. 251.018. CREDIT FOR CERTAIN BUSINESSES. (a) Subject to Subsection (b) and (c), a taxable business that pays a tax under this chapter is entitled to a credit under this chapter. The business must:

(1) have over 15,000 employees and contract with the United States Department of Defense; or

(2) have charges and fees levied or collected by the State and political subdivisions under the authority of 49 U.S.C. Sec. 40116(e) (2).

(b) A taxable business as described by subsection (a)(1) is entitled to a credit of the entire amount of sales and use tax and ad valorem tax paid to this state or a political subdivision of this state against half of the tax paid under this chapter.

(c) A taxable business as described by Subsection (a)(2) is entitled to a credit of the entire amount of charges and fees levied or collected by this state or a political subdivision of this state under the authority of 49 U.S.C. Section 40116(e)(2) against half of the tax paid under this chapter. The credit shall accrue in the quarter in which the charge or fee is paid.

(d) A taxable business may not receive a credit in an amount that exceeds the amount of tax or assessment due after applying any other credits. The taxable business may carry any unused credit forward for not more than five years but it may not, at any time, receive a credit in an amount that exceeds the amount of the tax or assessment due, after applying any other credits.

(e) A taxable business may not convey, assign, or transfer the credit allowed under this section to another entity unless all of the assets of the business are conveyed, assigned, or transferred in the same transaction.

(2) On page 38, strike lines 10 and 11 and substitute:

Sec. 151.423. REIMBURSEMENT TO TAXPAYER FOR TAX COLLECTIONS. A taxpayer may deduct and withhold .016 [~~one-half~~] of one percent of the amount of taxes due from the taxpayer on a timely return as

reimbursement for the cost of collecting the taxes imposed by this chapter. The comptroller shall provide a card with each form distributed for the collection of taxes under this chapter. The card may be inserted by the taxpayer with the tax payment to provide for contribution of all or part of the reimbursement provided by this section for use as grants under Subchapter M, Chapter 56, Education Code. If the taxpayer chooses to contribute the reimbursement for the grants, the taxpayer shall include the amount of the reimbursement contribution with the tax payment. The comptroller shall transfer money contributed under this section for grants under Subchapter M, Chapter 56, Education Code, to the appropriate fund.