

Amend CSHB 3 in Article 3, Part A by adding the following appropriately numbered sections and renumbering the remaining sections accordingly:

SECTION 3A.\_\_\_\_\_. Section 151.008, Tax Code, is amended by adding Subsection (c) to read as follows:

(c) An individual is not a "seller" or "retailer" for purposes of this section if:

(1) the individual is not engaged in the active conduct of a trade or business in this state for the purposes of affecting sales of taxable items; and

(2) the only sales made by the individual are sales of taxable personal property described by Section 151.304 (b) (5).

SECTION 3A.\_\_\_\_\_. Section 151.304 (b), Tax Code, is amended to read as follows:

(b) In this section, "occasional sale" means:

(1) one or two sales of taxable items, other than an amusement service, at retail during a 12-month period by a person who does not habitually engage, or hold himself out as engaging, in the business of selling taxable items at retail;

(2) the sale of the entire operating assets of a business or of a separate division, branch, or identifiable segment of a business;

(3) a transfer of all or substantially all the property used by a person in the course of an activity if after the transfer the real or ultimate ownership of the property is substantially similar to that which existed before the transfer; ~~[or]~~

(4) the sale of not more than 10 admissions for amusement services during a 12-month period by a person who does not hold himself out as engaging, or does not habitually engage, in providing amusement services; or

(5) the sale of taxable personal property by an individual if:

(A) the property was originally bought by the individual or a member of the individual's family for the personal use of the individual or the individual's family;

(B) the individual does not hold a permit issued under this chapter and is not required to obtain a permit as a

"seller" or "retailer" as those terms are defined by Section 151.008;

(C) the individual does not employ an auctioneer, broker, or factor, other than an online auction, to sell the property; and

(D) the sale would otherwise not be considered an occasional sale under this section.