

Amend CSHB 3 by adding the following appropriately numbered section to the bill:

Section _____. Section 171.109, Tax Code, is amended by adding thereto a new Subsection (o) to read as follows:

"(o) Notwithstanding any other subsection in this Section, there shall be excluded from the taxable capital of a parent or investor taxable entity the direct or indirect investment by that parent or investor taxable entity in the capital of one or more other taxable entities (A) that are also subject to the franchise tax imposed by the State of Texas under this Title, and (B) in which that parent or investor taxable entity has a "controlling interest" as that term is defined in Section 171.1001."