

Amend CSHB 3 as follows:

(1) In the introductory language to SECTION 4.19 (committee printing page 31, line 5), strike "Subsections (m), (n), and (o)" and substitute "Subsections (d-1), (m), (n), and (o)".

(2) In SECTION 4.19, insert a new Subsection (d-1) to Section 171.110, Tax Code (committee printing page 31, between lines 59 and 60), to read as follows:

(d-1) A real estate investment trust may, in determining its reportable federal taxable income for the purpose of this section, deduct dividends paid to shareholders. In this subsection, a real estate investment trust is an entity that complies with Sections 856-860, Internal Revenue Code.