

BILL ANALYSIS

C.S.H.B. 809
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Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, Section 22.01, Tax Code, requires the rendering of personal property used in the production of income for ad valorem tax purposes. In the 78th Regular Session, S.B. 340 amended Section 22.01 to create a penalty for the failure to render such properties and provided criteria for the information that is required to be included in the rendition statement. It was not the intent of S.B. 340 to require an individual's personal motor vehicle to be rendered. C.S.H.B. 809 clarifies that an individual's personal vehicle that may be used in the production of income and is also used for the individual's personal use is not required to be rendered.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 809 provides that an individual who owns and operates a passenger car or light truck in the course of the individual's occupation and operates those vehicles for personal activities that do not involve the production of income is not required to render the vehicles for taxation.

EFFECTIVE DATE

January 1, 2006. The Act applies only to the rendition of property for an ad valorem tax year that begins on or after January 1, 2006.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute differs from the original by eliminating the limitation to just one vehicle and by adding the requirement that the vehicle must be used by the individual for personal use.