

BILL ANALYSIS

C.S.H.B. 818
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Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Chapter 22 of the Tax Code requires annual rendition for taxation of all tangible personal property used for the production of income. For businesses in the service industry, inventory often remains unchanged from year to year. C.S.H.B. 818 would allow such a person to comply with rendition requirements by filing a rendition statement on a form prescribed by the Comptroller.

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. 818 allows a person to file a rendition statement on a form prescribed or approved by the Comptroller if the information contained in the most recent rendition statement filed by the person in a prior tax year is accurate with respect to the current tax year.

The bill further requires the Comptroller's form under Section 22.24(c) of the Tax Code to include a box that the property owner may check to permit the property owner to affirm that the information contained in the most recent rendition statement filed by the property owner in a prior tax year is accurate with respect to the current tax year.

EFFECTIVE DATE

September 1, 2005, except that SECTION 1 takes effect January 1, 2006.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute removes language from the original bill that would exempt persons from rendering certain property. The substitute adds language that would allow those persons to check a box on a form provided by the Comptroller.