

BILL ANALYSIS

Senate Research Center

S.B. 867
By: Staples
Transportation & Homeland Security
6/3/2005
Enrolled

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Senate Bill 5, enacted by the 77th Texas Legislature, Regular Session, 2001, levied a motor vehicle sales tax emissions reduction surcharge of 2.5 percent on the sale or lease of diesel vehicles, model year 1996 and earlier. In 2003, the 78th Texas Legislature, Regular Session, enacted H.B. 1365 which imposed a surcharge of one percent on the sale, lease, or use of 1997 model or newer vehicles over 14,000 pounds. Although recreational vehicles (RVs) are not operated with the same frequency as other vehicles of the same fuel type or weight class, many RVs, which are designed for private use, are subject to the surcharges because of their weight.

S.B. 867 exempts recreational vehicles from the motor vehicle sales tax emissions reduction surcharge.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 152.0215, Tax Code, by amending Subsection (a) and adding Subsection (a-1), as follows:

(a) Provides that except as provided by Subsection (a-1), a surcharge is imposed on every retail sale, lease, or use of every on-road diesel motor vehicle that is over 14,000 pounds and that is sold, leased, or used in this state.

(a-1) Provides that the surcharge does not apply to a recreational vehicle, as that term is defined by Section 522.004(b) (Applicability), Transportation Code, that is not held or used for the production of income.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2005.