

By: McCall, Strama, Edwards, Paxton

H.B. No. 161

A BILL TO BE ENTITLED

1 AN ACT

2 relating to an exemption from the sales tax for nonvehicular fuel
3 cells.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter H, Chapter 151, Tax Code, is amended
6 by adding Section 151.356 to read as follows:

7 Sec. 151.356. NONVEHICULAR FUEL CELLS. (a) In this
8 section, "fuel cell" means a device that uses fuel, oxygen, and a
9 catalyst to generate electricity by electrochemical means.

10 (b) The sale, use, or other consumption of a fuel cell is
11 exempted from the taxes imposed by this chapter unless the fuel cell
12 is designed to be the source of motive power of a vehicle or
13 provides the motive power of a vehicle.

14 (c) This section expires January 1, 2013.

15 SECTION 2. This Act takes effect September 1, 2005.