

1-1 By: Chisum (Senate Sponsor - Lucio) H.B. No. 988  
1-2 (In the Senate - Received from the House May 11, 2005;  
1-3 May 13, 2005, read first time and referred to Committee on  
1-4 Transportation and Homeland Security; May 23, 2005, reported  
1-5 adversely, with favorable Committee Substitute by the following  
1-6 vote: Yeas 6, Nays 0; May 23, 2005, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 988 By: Barrientos

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the county in which a seller of a motor vehicle may file  
1-11 an application for registration and certificate of title.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 501.0234, Transportation Code, is  
1-14 amended by adding Subsections (d), (e) and (f) to read as follows:

1-15 (d) A seller who applies for the registration or a  
1-16 certificate of title for a motor vehicle under Subsection (a)(1)  
1-17 may, at the seller's option, apply in any of the counties set forth  
1-18 in that subsection.

1-19 (e) If the seller applies for registration or certificate of  
1-20 title in a county other than the county of residence of the  
1-21 purchaser, and if the purchaser so directs, the tax  
1-22 assessor-collector of the county in which the seller applies shall,  
1-23 not later than six months after the transaction, tender to the tax  
1-24 assessor-collector of the county of the purchaser's residence, all  
1-25 taxes, fees and other revenue that were collected as a result of  
1-26 that transaction which the tax assessor-collector is authorized by  
1-27 law to retain.

1-28 (f) The department shall promulgate a form by which the  
1-29 purchaser of a motor vehicle may designate the purchaser's county  
1-30 of residence as the recipient of all taxes, fees, and other revenue  
1-31 collected as a result of that transaction which the tax  
1-32 assessor-collector is authorized by law to retain. A seller shall  
1-33 make that form available to the purchaser of a vehicle at the time  
1-34 of purchase, but unless that form is executed by the purchaser at  
1-35 the time of sale, all taxes, fees and other revenue that were  
1-36 collected as a result of the transaction which the tax  
1-37 assessor-collector is authorized by law to retain remain in the  
1-38 county in which the seller applies for title and registration.

1-39 SECTION 2. Section 501.0234, Transportation Code, is  
1-40 amended by amending Subsection (a) and by adding Subsection (d) to  
1-41 read as follows:

1-42 (a) A person who sells at the first or a subsequent sale a  
1-43 motor vehicle and who holds a general distinguishing number issued  
1-44 under Chapter 503 of this code or Chapter 2301, Occupations Code,  
1-45 shall:

1-46 (1) except as provided by this section, in the time and  
1-47 manner provided by law, apply, in the name of the purchaser of the  
1-48 vehicle, for the registration of the vehicle, if the vehicle is to  
1-49 be registered, and a certificate of title for the vehicle and file  
1-50 with the appropriate designated agent each document necessary to  
1-51 transfer title to or register the vehicle; and at the same time

1-52 (2) remit any required motor vehicle sales tax.

1-53 (d) A seller has a reasonable time to comply with the terms  
1-54 of Subsection (a)(1) and is in not in violation of that provision  
1-55 during the time the seller is making a good faith effort to comply.  
1-56 Notwithstanding compliance with this chapter, equitable title to a  
1-57 vehicle passes to the purchaser of the vehicle at the time the  
1-58 vehicle is the subject of a sale that is enforceable by either  
1-59 party.

1-60 SECTION 3. This Act takes effect September 1, 2005.

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