

By: Hodge

H.B. No. 1897

A BILL TO BE ENTITLED

AN ACT

relating to the application of certain taxes on persons exclusively involved in television, motion picture, video, and audio productions.

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

SECTION 1. Subchapter E, Chapter 152, Tax Code, is amended by adding Section 152.094 to read as follows:

Sec. 152.094. MOTOR VEHICLES USED IN TELEVISION, MOTION PICTURE, VIDEO, OR AUDIO PRODUCTIONS. (a) In this section, "nonbroadcast, industrial, or educational recorded material" means material produced for instructional, educational, sales, promotional, amusement, or entertainment purposes, regardless of the medium used or the manner displayed or transmitted. The term includes recording of events for sale to interested persons.

(b) The taxes imposed by this chapter do not apply to the purchase, rental, or use of a motor vehicle used exclusively in connection with the production for consideration of a television film, commercial, or program, nonbroadcast, industrial, or educational recorded material, a motion picture, or a video or audio recording, a copy of which is sold or offered for ultimate sale, licensed, distributed, broadcast, or otherwise commercially exhibited.

(c) The tax that would have been remitted on gross rental receipts without the exemption provided by this section is

1 considered to have been remitted for the purpose of computing the
2 minimum gross rental receipts tax imposed by Section 152.026.

3 SECTION 2. Subchapter C, Chapter 156, Tax Code, is amended
4 by adding Section 156.105 to read as follows:

5 Sec. 156.105. EXCEPTION--PERSONS INVOLVED IN TELEVISION,
6 MOTION PICTURE, VIDEO, OR AUDIO PRODUCTIONS. (a) In this section,
7 "nonbroadcast, industrial, or educational recorded material" means
8 material produced for instructional, educational, sales,
9 promotional, amusement, or entertainment purposes, regardless of
10 the medium used or the manner displayed or transmitted. The term
11 includes recording of events for sale to interested persons.

12 (b) Subject to this section, this chapter does not impose a
13 tax on a person involved exclusively in the production for
14 consideration of a television film, commercial, or program,
15 nonbroadcast, industrial, or educational recorded material, a
16 motion picture, or a video or audio recording, a copy of which is
17 sold or offered for ultimate sale, licensed, distributed,
18 broadcast, or otherwise commercially exhibited, provided that the
19 person has the right to use or possess a room in one hotel or in a
20 series of two or more hotels for at least three consecutive days.

21 (c) A person otherwise excepted under this section shall pay
22 the tax imposed by this chapter and is entitled to a refund of the
23 amount of tax paid in accordance with Section 156.154.

24 SECTION 3. Section 156.154(a), Tax Code, is amended to read
25 as follows:

26 (a) A governmental entity [~~that is~~] entitled under Section
27 156.103 or a person entitled under Section 156.105 to a refund of

1 taxes paid under this chapter must file a refund claim with the
2 comptroller.

3 SECTION 4. The change in law made by this Act does not
4 affect taxes imposed before the effective date of this Act, and the
5 law in effect before the effective date of this Act is continued in
6 effect for the purposes of the liability for and collection of those
7 taxes.

8 SECTION 5. This Act takes effect July 1, 2005, if it
9 receives a vote of two-thirds of all members elected to each house,
10 as provided by Section 39, Article III, Texas Constitution. If this
11 Act does not receive the vote necessary for effect on that date,
12 this Act takes effect October 1, 2005.