

By: Hill

H.B. No. 2392

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the property tax situs and rendition requirements for
3 motor vehicles located at a place of business of a wholesale motor
4 vehicle auction.

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

6 SECTION 1. Section 21.02, Tax Code, is amended by adding
7 Subsection (d) to read as follows:

8 (d) A motor vehicle does not have taxable situs in a taxing
9 unit under Subsection (a)(1) if, on January 1, the vehicle:

10 (1) has been located for less than 60 days at a place
11 of business of a person who holds a wholesale motor vehicle auction
12 general distinguishing number issued by the Texas Department of
13 Transportation under Chapter 503, Transportation Code, for that
14 place of business; and

15 (2) is offered for resale.

16 SECTION 2. Section 22.04, Tax Code, is amended by adding
17 Subsection (d) to read as follows:

18 (d) This section does not apply to a motor vehicle that on
19 January 1 is located at a place of business of a person who holds a
20 wholesale motor vehicle auction general distinguishing number
21 issued by the Texas Department of Transportation under Chapter 503,
22 Transportation Code, for that place of business, and that:

23 (1) has not acquired taxable situs under Section
24 21.02(a)(1) in a taxing unit that participates in the appraisal

1 district because the vehicle is described by Section 21.02(d);

2 (2) is offered for sale by a dealer who holds a
3 dealer's general distinguishing number issued by the Texas
4 Department of Transportation under Chapter 503, Transportation
5 Code, and whose inventory of motor vehicles is subject to taxation
6 in the manner provided by Sections 23.121 and 23.122; or

7 (3) is collateral possessed by a lienholder and
8 offered for sale in foreclosure of a security interest.

9 SECTION 3. This Act applies only to ad valorem taxes imposed
10 for a tax year beginning on or after January 1, 2006.

11 SECTION 4. This Act takes effect January 1, 2006.