

By: Brimer

S.B. No. 558

A BILL TO BE ENTITLED

AN ACT

relating to the application of the sales tax to services for repairing and remodeling certain commercial properties.

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

SECTION 1. Section 151.0047(a), Tax Code, is amended to read as follows:

(a) "Real property repair and remodeling" means the repair, restoration, remodeling, or modification of an improvement to real property other than:

(1) a structure or separate part of a structure used as a residence;

(2) an improvement immediately adjacent to a structure described by Subdivision (1) of this section and used in the residential occupancy of the structure or separate part of the structure by the person using the structure or part as a residence; ~~or~~

(3) an improvement to a manufacturing or processing production unit in a petrochemical refinery or chemical plant that provides increased capacity in the production unit; or

(4) an improvement that has a value of more than \$500,000 and is a structure or separate part of a structure that:

(A) is used for nonindustrial commercial purposes; and

(B) is located inside the boundaries of the most

1 populous municipality in a county in which two or more
2 municipalities each with a population of more than 300,000 are
3 located.

4 SECTION 2. (a) This Act takes effect October 1, 2005.

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