

Amend CSHB 3928, by inserting the following SECTION:

SECTION ____ Amend Chapter 171, Tax Code by adding the following new section:

Section 171. ____ "SMALL BUSINESS TAX ADVISORY COMMITTEE (a) PURPOSE The Small Business Tax Advisory Committee will conduct an annual study of the effects of the tax levied under this Chapter on small businesses in the state. The study must take into consideration:

(1) job growth or loss attributable to the franchise tax;

(2) the impact of the franchise tax on wages;

(3) the number of business that ceased to operate due to the franchise tax, if any; and,

(4) the number of businesses that changed business organization to avoid payment of the franchise tax, if any;

(5) the number of businesses that relocated their operations, headquarters, or other facilities due to the franchise tax, if any; and,

(6) any other items posed by the comptroller.

(b) The comptroller shall chair the small business tax advisory committee and shall appoint:

(1) at the direction of the speaker of the house, one member of the house of representatives;

(2) at the direction of the lieutenant governor, one member of the senate;

(3) at least one certified public accountant; and,

(4) at least three small business owners.

(c) The comptroller, by rule, shall establish procedures for the functions of the advisory committee, including a report to be issued to the speaker of the house of representatives, the lieutenant governor, and the governor by no later than January 1, 2009.