

Amend CSHB 3928 as follows:

(1) On page 1, line 8, strike "80 percent" and substitute "50 [80] percent".

(2) On page 1, line 10, strike "80 percent" and substitute "50 [80] percent".

(3) On page 1, line 14, strike "80 percent" and substitute "50 [80] percent".

(4) On page 1, lines 18 and 19, strike "80 percent" and substitute "50 percent".

(5) On page 1, line 20, strike "80 percent" and substitute "50 percent".

(6) Insert the following appropriately numbered SECTION to read as follows and renumber subsequent SECTIONS accordingly:

SECTION _____. Chapter 171, Tax Code, is amended by adding Subchapter K to read as follows:

SUBCHAPTER K. TAX CREDIT FOR CERTAIN ART DONATIONS

Sec. 171.521. ENTITLEMENT TO CREDIT. A taxable entity is entitled to a credit in the amount and under the conditions and limitations provided by this subchapter against the tax imposed under this chapter.

Sec. 171.522. QUALIFICATION. A taxable entity qualifies for a credit under this subchapter if the taxable entity donates to an art museum in this state that is open to the public a work of art that:

(1) the taxable entity has owned for at least five years; and

(2) the museum intends to include in the museum's permanent collection.

Sec. 171.523. AMOUNT; LIMITATIONS. (a) The amount of the credit is equal to the total appraised value of each work of art described by Section 171.522 that is donated during the privilege period.

(b) The credit claimed for each privilege period may not exceed the amount of franchise tax due, before any other applicable tax credits, for the privilege period.

(c) A taxable entity may claim a credit under this subchapter for an expenditure made during an accounting period only

against the tax owed for the corresponding privilege period.

(d) A taxable entity may not carry over an expenditure made during a privilege period to a subsequent privilege period.

(e) A taxable entity may not convey, assign, or transfer a credit under this subchapter to another entity unless all of the assets of the taxable entity are conveyed, assigned, or transferred in the same transaction.

Sec. 171.524. APPLICATION FOR CREDIT. A taxable entity must apply for a credit under this subchapter on or with the tax report for the period for which the credit is claimed.

Sec. 171.525. RULES. The comptroller shall adopt rules necessary to implement this subchapter.