

Amend Floor Amendment No. 1 to **SB 1848** by adding the following appropriately numbered SECTIONS to read as follows and renumbering subsequent SECTIONS accordingly:

SECTION \_\_. (a) Subchapter C, Chapter 57, Utilities Code, is repealed.

(b) The assessment imposed under Subchapter C, Chapter 57, Utilities Code, for the calendar quarter ending in September 2007 is due on the last day of October 2007, and Subchapter C, Chapter 57, Utilities Code, is continued in effect for the collection of the assessment due and for civil and criminal enforcement of the liability for that assessment.

(c) A telecommunications utility or commercial mobile service provider subject to Subchapter C, Chapter 57, Utilities Code, may recover from the utility's customers through a monthly billing process the amount of the assessment imposed under that subchapter as provided by Section 57.048(f), Utilities Code, and the former law is continued in effect for that purpose.

(d) Notwithstanding any other provision of this Act providing for a different effective date, this section takes effect October 1, 2007.

SECTION \_\_. (a) Section 171.103(b), Tax Code, as effective January 1, 2008, is amended to read as follows:

(b) A combined group shall include in its gross receipts computed under Subsection (a) the gross receipts of each taxable entity that is a member of the combined group ~~[and that has a nexus with this state for the purpose of taxation]~~.

(b) Section 171.1055(b), Tax Code, as effective January 1, 2008, is amended to read as follows:

(b) In apportioning margin, receipts derived from transactions between individual members of a combined group that are excluded under Section 171.1014(c)(3) may not be included in the receipts of the taxable entity from its business done in this state as determined under Section 171.103~~[, except that receipts derived from the sale of tangible personal property between individual members of a combined group where one member party to the transaction does not have nexus in this state shall be included in the receipts of the taxable entity from its business done in this~~

~~state as determined under Section 171.103 to the extent that the member of the combined group that does not have nexus in this state resells the tangible personal property without modification to a purchaser in this state].~~

(c) In the event of a conflict between a provision of this section and another Act passed by the 80th Legislature, Regular Session, 2007, that becomes law, this section prevails and controls regardless of relative dates of enactment.

(d) This section applies only to a report originally due on or after the effective date of this section.

(e) Notwithstanding any other provision of this Act, this section takes effect January 1, 2008.

SECTION \_\_. The repeal of Subchapter C, Chapter 57, Utilities Code, by this Act takes effect only if Sections 171.103 and 171.1055, Tax Code, as effective January 1, 2008, and as amended by this Act or by another Act of the 80th Legislature, Regular Session, 2007, providing for identical amendment of those sections become law. If Sections 171.103 and 171.1055, Tax Code, as effective January 1, 2008, and as amended by this Act or by another Act of the 80th Legislature, Regular Session, 2007, providing for identical amendment of those sections do not become law, the Section of this Act repealing Subchapter C, Chapter 57, Utilities Code, has no effect.