

By: Smithee

H.B. No. 871

A BILL TO BE ENTITLED

1

AN ACT

2 relating to the total revenue exemption for the franchise tax.

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

4 SECTION 1. Section 171.002(d), Tax Code, as effective
5 January 1, 2008, is amended to read as follows:

6 (d) A taxable entity is not required to pay any tax and is
7 not considered to owe any tax for a period if:

8 (1) the amount of tax computed for the taxable entity
9 is less than \$1,000; or

10 (2) the amount of the taxable entity's total revenue
11 from its entire business is less than or equal to \$1 million
12 [~~\$300,000~~] or the amount determined under Section 171.006.

13 SECTION 2. This Act applies only to a report originally due
14 on or after the effective date of this Act.

15 SECTION 3. This Act takes effect January 1, 2008.