

1-1 By: Guillen (Senate Sponsor - Janek) H.B. No. 1459
1-2 (In the Senate - Received from the House April 23, 2007;
1-3 April 24, 2007, read first time and referred to Committee on
1-4 Finance; May 19, 2007, reported favorably by the following vote:
1-5 Yeas 12, Nays 0; May 19, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the application of the sales and use tax to certain
1-9 telecommunications services provided through the use of a pay
1-10 phone.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Section 151.0103, Tax Code, is amended to read as
1-13 follows:

1-14 Sec. 151.0103. TELECOMMUNICATIONS SERVICES. (a) For the
1-15 purposes of this title only, "telecommunications services" means
1-16 the electronic or electrical transmission, conveyance, routing, or
1-17 reception of sounds, signals, data, or information utilizing wires,
1-18 cable, radio waves, microwaves, satellites, fiber optics, or any
1-19 other method now in existence or that may be devised, including but
1-20 not limited to long-distance telephone service. The term does not
1-21 include:

1-22 (1) the storage of data or information for subsequent
1-23 retrieval or the processing, or reception and processing, of data
1-24 or information intended to change its form or content;

1-25 (2) the sale or use of a telephone prepaid calling
1-26 card; [~~or~~]

1-27 (3) Internet access service; or

1-28 (4) a pay telephone coin sent-paid telephone call.

1-29 (b) The exemption provided by Subsection (a)(4) applies
1-30 only to the portion of the sales price of the telecommunications
1-31 service that is paid by coin.

1-32 SECTION 2. The change in law made by this Act does not
1-33 affect tax liability accruing before the effective date of this
1-34 Act. That liability continues in effect as if this Act had not been
1-35 enacted, and the former law is continued in effect for the
1-36 collection of taxes due and for civil and criminal enforcement of
1-37 the liability for those taxes.

1-38 SECTION 3. This Act takes effect September 1, 2007.

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