

By: Bonnen

H.B. No. 2057

A BILL TO BE ENTITLED

AN ACT

relating to state tax exemptions.

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

SECTION 1. Section 151.0101(a), Tax Code, is amended to read as follows:

(a) "Taxable services" means:

(1) amusement services;

(2) cable television services;

(3) personal services;

(4) motor vehicle parking and storage services;

(5) the repair, remodeling, maintenance, and restoration of tangible personal property, except:

(A) aircraft;

(B) a ship, boat, or other vessel, other than:

(i) a taxable boat or motor as defined by Section 160.001;

(ii) a sports fishing boat; or

(iii) any other vessel used for pleasure;

and

(C) the repair, maintenance, and restoration of a motor vehicle; ~~and~~

~~[(D) the repair, maintenance, creation, and restoration of a computer program, including its development and modification, not sold by the person performing the repair,~~

1 ~~maintenance, creation, or restoration service,]~~

2 (6) telecommunications services;

3 (7) credit reporting services;

4 (8) debt collection services;

5 (9) insurance services;

6 (10) information services;

7 (11) real property services;

8 (12) data processing services;

9 (13) real property repair and remodeling;

10 (14) security services;

11 (15) telephone answering services;

12 (16) Internet access service; and

13 (17) a sale by a transmission and distribution  
14 utility, as defined in Section 31.002, Utilities Code, of  
15 transmission or delivery of service directly to an electricity  
16 end-use customer whose consumption of electricity is subject to  
17 taxation under this chapter.

18 SECTION 2. Section 171.002(d), Tax Code, as effective  
19 January 1, 2008, is amended to read as follows:

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

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

24 (2) the amount of the taxable entity's total revenue  
25 from its entire business is less than or equal to \$750,000  
26 [~~\$300,000~~] or the amount determined under Section 171.006.

27 SECTION 3. The change in law made by this Act to Section

1 151.0101(a), Tax Code, does not affect taxes imposed before the  
2 effective date of this Act, and the law in effect before the  
3 effective date of this Act is continued in effect for purposes of  
4 the liability for and collection of those taxes.

5 SECTION 4. Section 171.002(d), Tax Code, as amended by this  
6 Act, applies only to a report originally due on or after January 1,  
7 2008.

8 SECTION 5. (a) Except as otherwise provided by this Act,  
9 this Act takes effect July 1, 2007, if it receives a vote of  
10 two-thirds of all the members elected to each house, as provided by  
11 Section 39, Article III, Texas Constitution. If this Act does not  
12 receive the vote necessary for effect on that date, this Act takes  
13 effect October 1, 2007.

14 (b) Section 171.002(d), Tax Code, as amended by this Act,  
15 takes effect January 1, 2008.