

By: Paxton

H.B. No. 3461

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the collection of motor vehicle sales taxes on
3 seller-financed sales by dealers.

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

5 SECTION 1. Section 152.047, Tax Code, is amended by adding
6 Subsection (g-1) to read as follows:

7 (g-1) Subsection (g) does not apply to a transaction by a
8 dealer, as defined by Section 503.001, Transportation Code, in
9 which the dealer:

10 (1) sells a purchaser's account to a person in which at
11 least 80 percent of the ownership is identical to the ownership of
12 the dealer; or

13 (2) grants a security interest in a purchaser's
14 account but retains custody and control of the account and the right
15 to receive payments in the absence of a default under the security
16 agreement.

17 SECTION 2. The change in law made by this Act does not
18 affect taxes imposed before the effective date of this Act, and the
19 law in effect before the effective date of this Act is continued in
20 effect for purposes of the liability for and collection of those
21 taxes.

22 SECTION 3. This Act takes effect July 1, 2007, if it
23 receives a vote of two-thirds of all the members elected to each
24 house, as provided by Section 39, Article III, Texas Constitution.

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1 If this Act does not receive the vote necessary for immediate
2 effect, this Act takes effect September 1, 2007.