

1-1 By: Duncan S.B. No. 2015  
1-2 (In the Senate - Filed April 10, 2007; April 11, 2007, read  
1-3 first time and referred to Committee on Finance; April 27, 2007,  
1-4 reported favorably by the following vote: Yeas 12, Nays 0;  
1-5 April 27, 2007, sent to printer.)

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

1-8 relating to the consummation of sales for purposes of the  
1-9 computation of local sales and use taxes.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 321.203, Tax Code, is amended by  
1-12 amending Subsections (b) through (e) and adding Subsection (n) to  
1-13 read as follows:

1-14 (b) If a retailer has only one place of business in this  
1-15 state, all of the retailer's retail sales of taxable items  
1-16 [~~tangible personal property~~] are consummated at that place of  
1-17 business except as provided by Subsection (e).

1-18 (c) If a retailer has more than one place of business in this  
1-19 state, a sale of a taxable item [~~tangible personal property~~] by the  
1-20 retailer is consummated at the retailer's place of business:

1-21 (1) from which the retailer ships or delivers the item  
1-22 [~~property~~], if the retailer ships or delivers the item [~~property~~]  
1-23 to a point designated by the purchaser or lessee; or

1-24 (2) where the purchaser or lessee takes possession of  
1-25 and removes the item [~~property~~], if the purchaser or lessee takes  
1-26 possession of and removes the item [~~property~~] from a place of  
1-27 business of the retailer.

1-28 (d) If neither the possession of a taxable item [~~tangible~~  
1-29 ~~personal property~~] is taken at nor shipment or delivery of the item  
1-30 [~~property~~] is made from the retailer's place of business in this  
1-31 state, the sale is consummated at:

1-32 (1) the retailer's place of business in this state  
1-33 where the order is received; or

1-34 (2) if the order is not received at a place of business  
1-35 of the retailer, the place of business from which the retailer's  
1-36 salesman who took the order operates.

1-37 (e) A sale of a taxable item [~~tangible personal property~~] is  
1-38 consummated at the location in this state to which the item  
1-39 [~~property~~] is shipped or delivered or at which possession is taken  
1-40 by the customer if transfer of possession of the item [~~property~~]  
1-41 occurs at, or shipment or delivery of the item [~~property~~]  
1-42 originates from, a location in this state other than a place of  
1-43 business of the retailer and if:

1-44 (1) the retailer is an itinerant vendor who has no  
1-45 place of business in this state;

1-46 (2) the retailer's place of business where the  
1-47 purchase order is initially received or from which the retailer's  
1-48 salesman who took the order operates is outside this state; or

1-49 (3) the purchaser places the order directly with the  
1-50 retailer's supplier and the item [~~property~~] is shipped or delivered  
1-51 directly to the purchaser by the supplier.

1-52 (n) A sale of a service described by Section 151.0047 to  
1-53 remodel, repair, or restore nonresidential real property is  
1-54 consummated at the location of the job site.

1-55 SECTION 2. Section 323.203, Tax Code, is amended by  
1-56 amending Subsections (b) through (e) and adding Subsection (m) to  
1-57 read as follows:

1-58 (b) If a retailer has only one place of business in this  
1-59 state, all of the retailer's retail sales of taxable items  
1-60 [~~tangible personal property~~] are consummated at that place of  
1-61 business except as provided by Subsection (e).

1-62 (c) If a retailer has more than one place of business in this  
1-63 state, a sale of a taxable item [~~tangible personal property~~] by the  
1-64 retailer is consummated at the retailer's place of business:

2-1 (1) from which the retailer ships or delivers the item  
2-2 [~~property~~], if the retailer ships or delivers the item [~~property~~]  
2-3 to a point designated by the purchaser or lessee; or

2-4 (2) where the purchaser or lessee takes possession of  
2-5 and removes the item [~~property~~], if the purchaser or lessee takes  
2-6 possession of and removes the item [~~property~~] from a place of  
2-7 business of the retailer.

2-8 (d) If neither the possession of a taxable item [~~tangible~~  
2-9 ~~personal property~~] is taken at nor shipment or delivery of the item  
2-10 [~~property~~] is made from the retailer's place of business in this  
2-11 state, the sale is consummated at:

2-12 (1) the retailer's place of business in this state  
2-13 where the order is received; or

2-14 (2) if the order is not received at a place of business  
2-15 of the retailer, the place of business from which the retailer's  
2-16 agent or employee [~~salesman~~] who took the order operates.

2-17 (e) A sale of a taxable item [~~tangible personal property~~] is  
2-18 consummated at the location in this state to which the item  
2-19 [~~property~~] is shipped or delivered or at which possession is taken  
2-20 by the customer if transfer of possession of the item [~~property~~]  
2-21 occurs at, or shipment or delivery of the item [~~property~~]  
2-22 originates from, a location in this state other than a place of  
2-23 business of the retailer and if:

2-24 (1) the retailer is an itinerant vendor who has no  
2-25 place of business in this state;

2-26 (2) the retailer's place of business where the  
2-27 purchase order is initially received or from which the retailer's  
2-28 agent or employee [~~salesman~~] who took the order operates is outside  
2-29 this state; or

2-30 (3) the purchaser places the order directly with the  
2-31 retailer's supplier and the item [~~property~~] is shipped or delivered  
2-32 directly to the purchaser by the supplier.

2-33 (m) A sale of a service described by Section 151.0047 to  
2-34 remodel, repair, or restore nonresidential real property is  
2-35 consummated at the location of the job site.

2-36 SECTION 3. The following provisions of the Tax Code are  
2-37 repealed:

- 2-38 (1) Subsection (d), Section 151.103;
- 2-39 (2) Subsection (c), Section 151.202;
- 2-40 (3) Subsection (1), Section 321.203; and
- 2-41 (4) Subsection (1), Section 323.203.

2-42 SECTION 4. This Act takes effect immediately if it receives  
2-43 a vote of two-thirds of all the members elected to each house, as  
2-44 provided by Section 39, Article III, Texas Constitution. If this  
2-45 Act does not receive the vote necessary for immediate effect, this  
2-46 Act takes effect September 1, 2007.

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