

House Bill 142
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Section 322.107, Tax Code, is amended to read as follows:

Sec. 322.107. EXEMPTION: SALES TAX ON ITEMS LEAVING ENTITY. (a) There are exempted from the sales tax of a taxing entity the receipts of the sale of a taxable item that, under a sales contract, is shipped to a point outside the entity by means of:

- (1) facilities operated by the retailer;
- (2) delivery by the retailer to a carrier for shipment to a consignee at that point; or
- (3) delivery by the retailer to a forwarding agent for shipment outside the entity.

(b) This section does not apply to tangible personal property that is:

- (1) sold by a retailer;
- (A) whose only place of business in this state is located in a taxing entity; and
- (B) whose total receipts subject to taxation under Chapter 151 during the preceding fiscal year were less than \$10,000; and

(2) shipped or delivered directly to a purchaser in another taxing entity.

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

SENATE VERSION

SECTION 1. The following provisions of the Tax Code are repealed:

- (1) Section 322.105(d); and
- (2) Section 322.107.

Same as House version.

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taxes.

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

Same as House version.