Amend **SB 636** on third reading as follows:

(1) Strike the recital to the SECTION of the bill added by Amendment No. 2 by Thompson on second reading that amends Section 321.203, Tax Code, and substitute the following:

Section 321.203, Tax Code, is amended by amending Subsections (c) and (d) and adding Subsections (c-1), (c-2), (c-3), and (c-4) to read as follows:

(2) In Section 321.203(c-3), Tax Code, as added by Amendment No. 2 by Thompson on second reading, strike "a municipality that has entered into an economic development agreement described by Subsection (c-2)" and substitute "a municipality that has entered into an economic development agreement described by Subsection (c-2) or (c-4)".

(3) Immediately following Section 321.203(c-3), Tax Code, as added by Amendment No. 2 by Thompson on second reading, insert the following:

(c-4) Notwithstanding any other provision of this section, Subsection (c) does not apply if:

(1) the taxable item is shipped or delivered from a warehouse:

(A) that is a place of business of the retailer;

(B) that is located in a county in which a navigable river is wholly located and in the largest municipality in that county that has created an industrial development corporation; and

(C) in relation to which the retailer has an economic development agreement with:

(i) the municipality in which the warehouse is located that was entered into under Chapter 380, 504, or 505, Local Government Code, a predecessor statute, or any other law, and that took effect before January 1, 2009; or

(ii) the county in which the warehouse is located that was entered into under Chapter 381, Local Government Code, a predecessor statute, or any other law, and that took effect before January 1, 2009; and

(2) the place of business of the retailer at which the retailer first receives the order in the manner described by

Subsection (c) is a retail outlet identified as being served by the warehouse on January 1, 2009, in information provided to the comptroller as prescribed by Subsection (c-3) or Section 323.203(c-3), as applicable, before their expiration.

(4) Strike the recital to the SECTION of the bill added by Amendment No. 2 by Thompson on second reading that amends Section 323.203, Tax Code, and substitute the following:

Section 323.203, Tax Code, is amended by amending Subsections (c) and (d) and adding Subsections (c-1), (c-2), (c-3), and (c-4) to read as follows:

(5) In Section 323.203(c-3), Tax Code, as added by Amendment No. 2 by Thompson on second reading, strike "a county that has entered into an economic development agreement described by Subsection (c-2)" and substitute "a county that has entered into an economic development agreement described by Subsection (c-2) or (c-4)".

(6) Immediately following Section 323.203(c-3), Tax Code, as added by Amendment No. 2 by Thompson on second reading, insert the following:

(c-4) Notwithstanding any other provision of this section, Subsection (c) does not apply if:

(1) the taxable item is shipped or delivered from a warehouse:

(A) that is a place of business of the retailer;

(B) that is located in a county in which a navigable river is wholly located and in the largest municipality in that county that has created an industrial development corporation; and

(C) in relation to which the retailer has an economic development agreement with:

(i) the county in which the warehouse is located that was entered into under Chapter 381, Local Government Code, a predecessor statute, or any other law, and that took effect before January 1, 2009; or

(ii) the municipality in which the warehouse is located that was entered into under Chapter 380, 504, or 505, Local Government Code, a predecessor statute, or any other

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law, and that took effect before January 1, 2009; and

(2)   the place of business of the retailer at which the retailer first receives the order in the manner described by Subsection (c) is a retail outlet identified as being served by the warehouse on January 1, 2009, in information provided to the comptroller as prescribed by Subsection (c-3) or Section 321.203(c-3), as applicable, before their expiration.

(7)   Strike the SECTION of the bill added by Amendment No. 2 by Thompson on second reading that specifies the effective date of the changes made to Sections 321.203 and 323.203, Tax Code, and substitute the following appropriately numbered SECTION:

SECTION _____.   Notwithstanding any other provision of this Act, Sections 321.203(c-3) and 323.203(c-3), Tax Code, as added by this Act, take effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, Sections 321.203(c-3) and 323.203(c-3), Tax Code, as added by this Act, take effect August 31, 2009.