

BILL ANALYSIS

H.B. 3030
By: Heflin
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Present law does not clearly exempt machinery and equipment used in agricultural aircraft operations, including fire prevention, containment and forest preservation from sales and use tax. This has created some confusion about whether agricultural aircraft machinery and equipment can be exempted for these purposes. CSHB 3030 alleviates any confusion the present law creates.

HB 3030 clarifies the exemption for machinery and equipment used in agricultural aircraft operations, including fire prevention, containment and forest preservation from sales and use tax.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

ANALYSIS

Section 1. HB 3030 amends Subsection 151.316 (a) of the Tax Code by adding subsection (10) to include equipment and machinery used for aircraft agricultural operations to the list of items exempted from sales and use tax and to clarify the definition of eligible equipment use.

COMPARISON TO ORIGINAL

CSHB 3030 simplifies Subsection 151.316(a)(10) of HB 3030. CSHB 3030 replaces the extrapolated definition of machinery and equipment used in agricultural aircraft operation used in HB 3030 with the citation from the Code of Federal Regulations from which the definition was taken.

EFFECTIVE DATE

This Act takes effect September 1, 2009.