

By: Dutton

H.B. No. 303

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from the sales tax for labor to install certain tangible personal property in buildings that obtain LEED certification.

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

SECTION 1. Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.352 to read as follows:

Sec. 151.352. LABOR TO INSTALL CERTAIN TANGIBLE PERSONAL PROPERTY IN LEED-CERTIFIED BUILDING. (a) Labor to install tangible personal property is exempted from the taxes imposed by this chapter and the taxpayer may claim a refund or credit as provided by this section if:

(1) the tangible personal property is installed in a building that is designed, constructed, and operated so that the building obtains certification under the Leadership in Energy and Environmental Design (LEED) Green Building Rating System; and

(2) the installation of the tangible personal property results in the awarding of one or more points toward that certification.

(b) A taxpayer entitled to a credit or refund under this section may elect to receive either a credit or a refund. A taxpayer who elects to receive a credit must claim the credit on the return for a period that ends not later than the first anniversary of the date on which the taxable event occurred. A taxpayer who

1 elects to receive a refund must apply to the comptroller for the
2 refund before or during the calendar year following the year in
3 which the tax on the labor was paid.

4 (c) A refund under this section is not a refund of taxes
5 erroneously collected, and Section 111.064 does not apply.

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

12 SECTION 3. This Act takes effect July 1, 2009, if it
13 receives a vote of two-thirds of all the members elected to each
14 house, as provided by Section 39, Article III, Texas Constitution.
15 If this Act does not receive the vote necessary for effect on that
16 date, this Act takes effect October 1, 2009.