

By: Anderson

H.B. No. 2771

A BILL TO BE ENTITLED

AN ACT

relating to the computation of total revenue in relation to facilities that use a carbon gasification technology to generate electricity.

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

SECTION 1. Section 171.1011, Tax Code, is amended by adding Subsections (y) and (z) to read as follows:

(y) A taxable entity that is a power generation company, as that term is defined by Section 31.002, Utilities Code, shall exclude from its total revenue, to the extent included under Subsection (c)(1)(A), (c)(2)(A), or (c)(3), all revenue received from the sale of electricity generated at an electric generating facility that uses a carbon gasification technology to generate that electricity.

(z) A taxable entity that uses a carbon gasification technology to generate electricity for the entity's own use and that is not a power generation company, as that term is defined by Section 31.002, Utilities Code, shall exclude from its total revenue, to the extent included under Subsection (c)(1)(A), (c)(2)(A), or (c)(3), all revenue received from the sale of a by-product, including sulfur, slag, and syngas, derived from the generation of that electricity.

SECTION 2. This Act applies only to a report originally due under Chapter 171, Tax Code, on or after the effective date of this

1 Act.

2 SECTION 3. This Act takes effect January 1, 2010.