

By: Jackson

H.B. No. 3690

A BILL TO BE ENTITLED

AN ACT

relating to the imposition of the sales and use tax.

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

SECTION 1. Subchapter A, Chapter 151, Tax Code, is amended by adding Section 151.0037 to read as follows:

Sec. 151.0037. "ELECTIVE COSMETIC PROCEDURE." (a) In this chapter, "elective cosmetic procedure" means any medical procedure performed on a person that is directed at improving the person's appearance and does not meaningfully promote the proper function of the body or prevent or treat an illness or disease.

(b) "Elective cosmetic procedure" includes cosmetic surgery, hair transplants, cosmetic injections, cosmetic soft tissue fillers, dermabrasion and chemical peels, laser hair removal, laser skin resurfacing, laser treatment of leg veins, sclerotherapy, and cosmetic dentistry.

(c) "Elective cosmetic procedure" does not include reconstructive surgery or dentistry, including any surgery or dentistry performed on an abnormal structure caused by or related to a congenital defect, developmental abnormality, injury, trauma, infection, tumor, or disease or performed to improve the structure's function or to give the structure a more normal appearance.

SECTION 2. Section 151.0038(b), Tax Code, is amended to read as follows:

1 (b) In this section, "newspaper" has the meaning assigned by
2 Section 151.319(f), as that subsection existed on August 31, 2009.

3 SECTION 3. Section 151.0101(a), Tax Code, is amended to
4 read as follows:

5 (a) "Taxable services" means:

- 6 (1) amusement services;
7 (2) cable television services;
8 (3) personal services;
9 (4) motor vehicle parking and storage services;
10 (5) the repair, remodeling, maintenance, and
11 restoration of tangible personal property, except:

12 (A) aircraft;

13 (B) a ship, boat, or other vessel, other than:

14 (i) a taxable boat or motor as defined by
15 Section 160.001;

16 (ii) a sports fishing boat; or

17 (iii) any other vessel used for pleasure;

18 (C) the repair, maintenance, and restoration of a
19 motor vehicle; and

20 (D) the repair, maintenance, creation, and
21 restoration of a computer program, including its development and
22 modification, not sold by the person performing the repair,
23 maintenance, creation, or restoration service;

24 (6) telecommunications services;

25 (7) credit reporting services;

26 (8) debt collection services;

27 (9) insurance services;

- 1 (10) information services;
- 2 (11) real property services;
- 3 (12) data processing services;
- 4 (13) real property repair and remodeling;
- 5 (14) security services;
- 6 (15) telephone answering services;
- 7 (16) Internet access service; ~~[and]~~
- 8 (17) a sale by a transmission and distribution
9 utility, as defined in Section 31.002, Utilities Code, of
10 transmission or delivery of service directly to an electricity
11 end-use customer whose consumption of electricity is subject to
12 taxation under this chapter; and
- 13 (18) an elective cosmetic procedure.

14 SECTION 4. Section 151.315, Tax Code, is amended to read as
15 follows:

16 Sec. 151.315. WATER. Water, other than water sold in a
17 sealed container, is exempted from the taxes imposed by this
18 chapter.

19 SECTION 5. Sections 151.3105, 151.319, and 151.320, Tax
20 Code, are repealed.

21 SECTION 6. The change in law made by this Act does not
22 affect tax liability accruing before the effective date of this
23 Act. That liability continues in effect as if this Act had not been
24 enacted, and the former law is continued in effect for the
25 collection of taxes due and for civil and criminal enforcement of
26 the liability for those taxes.

27 SECTION 7. This Act takes effect September 1, 2009.