By: Anderson   H.J.R. No. 30

A JOINT RESOLUTION

1 proposing a constitutional amendment requiring any increase in a

2 rate of the franchise tax be approved by two-thirds of all the

3 members elected to each house of the legislature.

4   BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5   SECTION 1. Article VIII, Texas Constitution, is amended by

6 adding Section 25 to read as follows:

7   Sec. 25. (a) A bill increasing a rate of the franchise tax

8 per year of privilege period of taxable margin above the

9 corresponding rate provided by Chapter 1 (H.B. 3), Acts of the 79th

10 Legislature, 3rd Called Session, 2006, may take effect only if

11 passed by a record vote of two-thirds of all the members elected to

12 each house of the legislature on final consideration in each house.

13   (b) This section applies to an increase in a rate of the

14 franchise tax as it applies to any taxable entity, including a

15 taxable entity primarily engaged in retail or wholesale trade.

16   (c) This section does not apply to a bill that decreases a

17 rate of the franchise tax. If a rate of the franchise tax is

18 decreased, this section applies to any subsequent increase in that

19 rate.

20   (d) This section does not apply to a bill that amends:

21   (1) the manner in which the franchise tax is computed,

22 including the determination of margin and taxable margin and any

23 allowable deductions or credits;

24   (2) the manner in which the franchise tax is

1 administered or enforced; or

2   (3) the applicability of the franchise tax to certain

3 entities.

4   SECTION 2. This proposed constitutional amendment shall be

5 submitted to the voters at an election to be held November 3, 2009.

6 The ballot shall be printed to provide for voting for or against the

7 proposition: "The constitutional amendment requiring any increase

8 in a rate of the franchise tax be approved by two-thirds of all the

9 members elected to each house of the legislature."