1 AN ACT

2 relating to refunds of and credits for certain sales and use taxes.

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

4 SECTION 1. Section 151.310, Tax Code, is amended by adding

5 Subsection (f) to read as follows:

6 (f) For purposes of obtaining a refund of or claiming a

7 credit for taxes paid under this chapter on the basis of an

8 exemption under this section, an organization is not considered

9 exempted from the taxes imposed by this chapter before the earlier

10 of:

11 (1) the date the organization applied for the

12 exemption with the comptroller; or

13 (2) the date of assessment of the organization's tax

14 liability by the comptroller as a result of an audit, as applicable.

15 SECTION 2. Subchapter I, Chapter 151, Tax Code, is amended

16 by adding Section 151.4261 to read as follows:

17 Sec. 151.4261. CREDIT OR REIMBURSEMENT IN RETURN

18 TRANSACTIONS. A seller is entitled to a credit or reimbursement

19 equal to the amount of sales tax refunded to a purchaser when the

20 purchaser receives a full or partial refund of the sales price of a

21 returned taxable item.

22 SECTION 3. The change in law made by this Act applies only

23 to a refund of or credit for taxes that are paid on or after the

24 effective date of this Act. A refund of or credit for taxes that are

1 paid before the effective date of this Act is governed by the law in

2 effect on the date the taxes were paid, and the former law is

3 continued in effect for that purpose.

4   SECTION 4. This Act takes effect September 1, 2009.

_____   _____
      President of the Senate   Speaker of the House

    I hereby certify that S.B. No. 1199 passed the Senate on April 9, 2009, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 30, 2009, by the following vote: Yeas 31, Nays 0.

                                     _____
                                         Secretary of the Senate

    I hereby certify that S.B. No. 1199 passed the House, with amendment, on May 27, 2009, by the following vote: Yeas 148, Nays 0, one present not voting.

                                     _____
                                         Chief Clerk of the House

Approved:

_____
          Date

_____
          Governor