

By: Watson

S.B. No. 1265

A BILL TO BE ENTITLED

AN ACT

relating to obtaining an exemption from the motor vehicle sales tax for motor vehicles driven by persons who have orthopedic handicaps.

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

SECTION 1. Section 152.086, Tax Code, is amended by adding Subsections (b-1) and (d) to read as follows:

(b-1) The seller of a motor vehicle may not collect the tax from the purchaser of the motor vehicle if the purchaser:

(1) signs at the time of the purchase an exemption certificate that:

(A) is on a form designated by the comptroller;  
and

(B) contains all information the comptroller considers reasonable to establish qualification for the exemption at the time of sale; and

(2) presents any other documentation or information the comptroller requires by rule.

(d) Notwithstanding any other provision of this section or of other law, a seller may rely on a properly executed and signed exemption certificate as provided by this section and is under no duty to investigate the propriety of a certificate that is valid on its face. A seller who relies on a properly executed and signed exemption certificate as provided by this section is not liable for motor vehicle sales tax that would otherwise be due as a result of a

1 motor vehicle sale.

2 SECTION 2. Not later than December 1, 2009, the comptroller  
3 of public accounts shall:

4 (1) adopt any rules necessary to implement the changes  
5 in law made by this Act; and

6 (2) designate the form required by Paragraph (A),  
7 Subdivision (1), Subsection (b-1), Section 152.086, Tax Code, as  
8 added by this Act, and make the form available to motor vehicle  
9 dealers and the public.

10 SECTION 3. The changes in law made by this Act apply to the  
11 sale of a motor vehicle on or after January 1, 2010. A sale of a  
12 motor vehicle that occurs before that date is governed by the law in  
13 effect on the date the sale occurred, and that law is continued in  
14 effect for that purpose.

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