

Amend CSSB 1811 (senate committee report) by adding the following appropriately numbered ARTICLE to the bill and renumbering subsequent ARTICLES and SECTIONS of the bill accordingly:

ARTICLE _____. TAXABILITY OF COMPUTER PROGRAMMING SERVICES

SECTION _____.01. Section 151.0031, Tax Code, is amended to read as follows:

Sec. 151.0031. "COMPUTER PROGRAM". "Computer program" means a series of instructions that are coded for acceptance or use by a computer system and that are designed to permit the computer system to process data and provide results and information. The series of instructions may be contained in or on magnetic tapes, punched cards, printed instructions, or other tangible or electronic media. For purposes of this chapter, the term includes a computer program created or developed exclusively for a client who retains all rights to the program.

SECTION _____.02. Section 151.0101(a), Tax Code, is amended to read as follows:

(a) "Taxable services" means:

- (1) amusement services;
- (2) cable television services;
- (3) personal services;
- (4) motor vehicle parking and storage services;
- (5) the repair, remodeling, maintenance, and

restoration of tangible personal property, except:

- (A) aircraft;
- (B) a ship, boat, or other vessel, other than:
 - (i) a taxable boat or motor as defined by

Section 160.001;

- (ii) a sports fishing boat; or
 - (iii) any other vessel used for pleasure;

and

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

~~[(D) the repair, maintenance, creation, and restoration of a computer program, including its development and modification, not sold by the person performing the repair,~~

~~maintenance, creation, or restoration service,]~~

- (6) telecommunications services;
- (7) credit reporting services;
- (8) debt collection services;
- (9) insurance services;
- (10) information services;
- (11) real property services;
- (12) data processing services;
- (13) real property repair and remodeling;
- (14) security services;
- (15) telephone answering services;
- (16) Internet access service; and

(17) a sale by a transmission and distribution utility, as defined in Section 31.002, Utilities Code, of transmission or delivery of service directly to an electricity end-use customer whose consumption of electricity is subject to taxation under this chapter.

SECTION _____.03. The changes in law made by this article do not affect a tax imposed before the effective date of this article. A tax imposed before the effective date of this article is governed by the law in effect when the tax was imposed, and that law is continued in effect for purposes of the liability for and collection of that tax.