

## **BILL ANALYSIS**

H.B. 2043  
By: Menendez  
Defense & Veterans' Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties contend that current tax law does not adequately address the taxable status of manufactured aircraft being brought into Texas for final fittings, customization, or preparation for delivery. H.B. 2043 seeks to clarify the status of such aircraft and certain related tangible personal property located inside a defense base development authority.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 2043 amends the Local Government Code to establish that a commercial aircraft to be used as an instrumentality of commerce that is under construction inside a defense base development authority is presumed to be in interstate, international, or foreign commerce and not located in the state for longer than a temporary period for purposes of Tax Code provisions related to the taxability of real and tangible personal property. The bill applies the same presumption to tangible personal property located inside the authority if the owner demonstrates to the chief appraiser for the appraisal district in which the authority is located that the owner intends to incorporate the property into or attach the property to such a commercial aircraft. The bill defines "commercial aircraft."

### **EFFECTIVE DATE**

January 1, 2012.