

BILL ANALYSIS

C.S.H.B. 3182
By: Ritter
Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The circumstances of oil drilling operations often require on-site sleeping accommodations, changing room accommodations, temporary offices, and other temporary work place accommodations. The types of portable units that may provide these accommodations are diverse and may be subject to a variety of taxes and exemptions.

C.S.H.B. 3182 seeks to make all of these oilfield portable units subject to the same sales tax.

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

C.S.H.B. 3182 amends the Tax Code to define "oilfield portable unit" for purposes of the state sales and use tax on motor vehicles and to exclude such a unit from the definition of "motor vehicle" for those same purposes. The bill adds an oilfield portable unit to the list of items exempt from the generally applicable state sales and use tax and excludes an oilfield portable unit from the definition of "hotel" for purposes of the state hotel occupancy tax. The bill redefines "motor vehicle" and "hotel" as described above and makes nonsubstantive and conforming changes.

EFFECTIVE DATE

September 1, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 3182 omits a provision included in the original relating to taxes imposed on a manufactured home used as an oilfield portable unit. The substitute differs from the original in nonsubstantive ways by conforming to certain bill drafting conventions.