

## **BILL ANALYSIS**

Senate Research Center

S.B. 267  
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Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 267 seeks to clarify that a gift tax affidavit is used properly and as it was originally intended by legislators. The bill requires that one of the parties involved in the "gifting" of a vehicle must submit the notarized Gift Affidavit to the local tax office. That person must also present a valid form of identification—such as a driver's license, personal identification card, or a military identification card containing the person's photo. In addition to these requirements, the bill also explicitly prohibits a vehicle title service company from submitting these forms. This will help eliminate fraud and is in line with the intended purpose of the tax exemption (i.e. a transaction between related parties).

S.B. 267 amends current law relating to a joint statement regarding the transfer of a motor vehicle as the result of a gift.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 152.062, Tax Code, by adding Subsection (b-2), as follows:

(b-2) Requires that a joint statement required by Subsection (b)(3) (requiring a joint statement by the principle parties) that relates to a gift from a person or estate described by Section 152.025(a)(1) (relating to a gift from certain related persons) be filed in person by the recipient of the gift or, as applicable, the person from whom the gift is received or a person authorized to act on behalf of the estate from which the gift is received. Prohibits a motor vehicle title service required to be licensed under Chapter 520 (Miscellaneous Provisions), Transportation Code, from being used to file the statement. Requires the person who files the statement to present to the tax assessor-collector an unexpired identification document issued to the person that bears the person's photograph and is:

- (1) a driver's license or personal identification card issued by this state or another state of the United States;
- (2) an original United States passport or an original passport issued by a foreign country;
- (3) an identification card or similar form of identification issued by the Texas Department of Criminal Justice;
- (4) a United States military identification card; or
- (5) an identification card or document issued by the United States Department of Homeland Security or United States Citizenship and Immigration Services.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Provides that the change in law made by this Act does not affect tax liability accruing before the effective date of this Act. Provides that the tax liability continues in effect as if this Act had not been enacted, and the former law is continued in effect for the collection of taxes due and for civil and criminal enforcement of the liability for those taxes.

SECTION 4. Effective date: upon passage or September 1, 2011.