

1 AN ACT

2 relating to the imposition by certain municipalities and municipal
3 transit departments of the local sales and use tax in certain
4 federal military installations.

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

6 SECTION 1. Subchapter B, Chapter 321, Tax Code, is amended
7 by adding Section 321.1045 to read as follows:

8 Sec. 321.1045. IMPOSITION OF SALES AND USE TAX IN CERTAIN
9 FEDERAL MILITARY INSTALLATIONS. (a) This section applies only to a
10 municipality with a population of more than 500,000 that borders
11 the United Mexican States.

12 (b) For purposes of the sales and use tax imposed under this
13 chapter, a reference in this chapter or other law to the
14 municipality as the territory in which the tax or an incident of the
15 tax applies includes the area within the boundaries of a federal
16 military installation that is located in the municipality's
17 extraterritorial jurisdiction.

18 (c) This section does not affect:

19 (1) the boundaries of an emergency services district
20 that contains territory within the boundaries of a federal military
21 installation on the effective date of this section;

22 (2) the authority of that emergency services district
23 to continue to impose a sales and use tax in the entire territory of
24 the district; or

1 (3) the duty of that emergency services district to
2 provide services in the entire territory of the district.

3 SECTION 2. Section 453.051, Transportation Code, is amended
4 by adding Subsection (c) to read as follows:

5 (c) The jurisdiction of a transit department created by a
6 municipality with a population of more than 500,000 that borders
7 the United Mexican States does not include any territory within the
8 boundaries of a federal military installation that is located in
9 that municipality's extraterritorial jurisdiction.

10 SECTION 3. This Act takes effect July 1, 2011, if it
11 receives a vote of two-thirds of all the members elected to each
12 house, as provided by Section 39, Article III, Texas Constitution.
13 If this Act does not receive the vote necessary for effect on that
14 date, this Act takes effect October 1, 2011.

President of the Senate

Speaker of the House

I certify that H.B. No. 205 was passed by the House on April 7, 2011, by the following vote: Yeas 143, Nays 1, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 205 was passed by the Senate on May 13, 2011, by the following vote: Yeas 30, Nays 1.

Secretary of the Senate

APPROVED: _____

Date

Governor