

1-1 By: Rodriguez S.B. No. 1088  
1-2 (In the Senate - Filed March 2, 2011; March 16, 2011, read  
1-3 first time and referred to Committee on Finance; April 11, 2011,  
1-4 reported adversely, with favorable Committee Substitute by the  
1-5 following vote: Yeas 13, Nays 0; April 11, 2011, sent to printer.)

1-6 COMMITTEE SUBSTITUTE FOR S.B. No. 1088 By: Zaffirini

1-7 A BILL TO BE ENTITLED  
1-8 AN ACT

1-9 relating to the imposition by certain municipalities and municipal  
1-10 transit departments of the local sales and use tax in certain  
1-11 federal military installations.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subchapter B, Chapter 321, Tax Code, is amended  
1-14 by adding Section 321.1045 to read as follows:

1-15 Sec. 321.1045. IMPOSITION OF SALES AND USE TAX IN CERTAIN  
1-16 FEDERAL MILITARY INSTALLATIONS. (a) This section applies only to  
1-17 a municipality with a population of more than 500,000 that borders  
1-18 the United Mexican States.

1-19 (b) For purposes of the sales and use tax imposed under this  
1-20 chapter, a reference in this chapter or other law to the  
1-21 municipality as the territory in which the tax or an incident of the  
1-22 tax applies includes the area within the boundaries of a federal  
1-23 military installation that is located in the municipality's  
1-24 extraterritorial jurisdiction.

1-25 (c) This section does not affect:

1-26 (1) the boundaries of an emergency services district  
1-27 that contains territory within the boundaries of a federal military  
1-28 installation on the effective date of this section;

1-29 (2) the authority of that emergency services district  
1-30 to continue to impose a sales and use tax in the entire territory of  
1-31 the district; or

1-32 (3) the duty of that emergency services district to  
1-33 provide services in the entire territory of the district.

1-34 SECTION 2. Section 453.051, Transportation Code, is amended  
1-35 by adding Subsection (c) to read as follows:

1-36 (c) The jurisdiction of a transit department created by a  
1-37 municipality with a population of more than 500,000 that borders  
1-38 the United Mexican States does not include any territory within the  
1-39 boundaries of a federal military installation that is located in  
1-40 that municipality's extraterritorial jurisdiction.

1-41 SECTION 3. This Act takes effect July 1, 2011, if it  
1-42 receives a vote of two-thirds of all the members elected to each  
1-43 house, as provided by Section 39, Article III, Texas Constitution.  
1-44 If this Act does not receive the vote necessary for effect on that  
1-45 date, this Act takes effect October 1, 2011.

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