

By: Harris

S.B. No. 1458

A BILL TO BE ENTITLED

AN ACT

relating to a study regarding the reenactment of the franchise tax credit for research and development expenditures.

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

SECTION 1. Subchapter E, Chapter 171, Tax Code, is amended by adding Section 171.215 to read as follows:

Sec. 171.215. STUDY OF AN INCENTIVE FOR RESEARCH AND DEVELOPMENT ACTIVITIES. (a) The Legislative Budget Board shall conduct a study of the costs and benefits to the state of reenacting the tax incentive for research and development activities that was in effect as Subchapter O, Chapter 171, Tax Code, in 2006. As a part of the study, the Legislative Budget Board shall examine the types of research and development incentives available in other states.

(b) The Legislative Budget Board may seek the assistance of other state agencies in conducting the study, but the study must be completed utilizing existing resources available to the Legislative Budget Board and any assisting agencies.

(c) The Legislative Budget Board shall report the results of the study to the legislature not later than January 1, 2013.

(d) This section expires January 1, 2013.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this

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1 Act takes effect September 1, 2011.