



13 MAY -4 PM 1:42
HOUSE OF REPRESENTATIVES

FLOOR AMENDMENT NO. _____

BY: _____

1 Amend C.S.H.B. No. 500 as follows:

2 (1) Add the following appropriately numbered SECTION to the
3 bill and renumber subsequent SECTIONS of the bill accordingly:

4 SECTION ____ (a) Subchapter C, Chapter 171, Tax Code, is
5 amended by adding Section 171.109 to read as follows:

6 Sec. 171.109. DEDUCTION OF RELOCATION COSTS BY CERTAIN
7 TAXABLE ENTITIES FROM MARGIN APPORTIONED TO THIS STATE. (a) In
8 this section, "relocation costs" means the costs incurred by a
9 taxable entity to relocate the taxable entity's main office or
10 other principal place of business from one location to another. The
11 term includes:

12 (1) costs of relocating computers and peripherals,
13 other business supplies, furniture, and inventory; and

14 (2) any other costs related to the relocation that are
15 allowable deductions for federal income tax purposes.

16 (b) Subject to Subsection (c), a taxable entity may deduct
17 from its apportioned margin relocation costs incurred in relocating
18 the taxable entity's main office or other principal place of
19 business to this state from another state if the taxable entity:

20 (1) did not do business in this state before
21 relocating the taxable entity's main office or other principal
22 place of business to this state; and

23 (2) is not a member of an affiliated group engaged in a
24 unitary business, another member of which is doing business in this
25 state on the date the taxable entity relocates the taxable entity's
26 main office or other principal place of business to this state.

27 (c) A taxable entity must take the deduction authorized by
28 Subsection (b) on the report based on the taxable entity's initial
29 period described by Section 171.151(1).

1 (d) On the comptroller's request, a taxable entity that
2 takes a deduction authorized by this section shall file with the
3 comptroller proof of the deducted relocation costs.

4 (b) The change in law made by this section applies only to a
5 taxable entity that relocates the taxable entity's main office or
6 other principal place of business to this state on or after the
7 effective date of this section.

8 (c) This section takes effect September 1, 2013.

9 (2) On page 9, line 6, strike "This" and substitute "Except
10 as otherwise provided by this Act, this".