



*Amorin*

13 MAY -6 AM 9.

HOUSE OF REPRESENTATIVES

1 Amend CSHB 500 as follows:

2 (1) On page 1, line 20, add the following appropriately numbered  
3 sections and renumber subsequent sections accordingly:

4 SECTION \_\_. (a) Effective January 1, 2014, Sections 171.002(a)  
5 and (b), Tax Code, are amended to read as follows:

6 (a) Subject to Sections 171.003 and 171.1016 and except as  
7 provided by Subsection (b), the rate of the franchise tax is 0.90  
8 [~~one~~] percent of taxable margin.

9 (b) Subject to Sections 171.003 and 171.1016, the rate of the  
10 franchise tax is 0.45 [~~0.5~~] percent of taxable margin for those  
11 taxable entities primarily engaged in retail or wholesale trade.

12 (b) This section applies only to a report originally due on or  
13 after January 1, 2014.

14 (2) On page 8, line 10 insert the following appropriately numbered  
15 sections and renumber subsequent sections accordingly:

16 SECTION \_\_. (a) Effective January 1, 2014, Section 171.1016(b), Tax  
17 Code, is amended to read as follows:

18 (b) The amount of the tax for which a taxable entity that  
19 elects to pay the tax as provided by this section is liable is  
20 computed by:

21 (1) determining the taxable entity's total revenue from its  
22 entire business, as determined under Section 171.1011;

23 (2) apportioning the amount computed under Subdivision (1)  
24 to this state, as provided by Section 171.106, to determine the  
25 taxable entity's apportioned total revenue; and

26 (3) multiplying the amount computed under Subdivision (2) by  
27 the rate of 0.5175 [~~0.575~~] percent.

1 (b) This section applies only to a report originally due on  
2 or after January 1, 2014.