

BILL ANALYSIS

H.B. 859
By: Sheets
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

According to the comptroller of public accounts, Texas does not provide an exemption from the state motor vehicle sales and use tax for vehicles purchased by active duty servicemembers while they are deployed outside the United States. As a result, on the initial registration or transfer of registration of such a vehicle in Texas, a servicemember must pay the required tax. H.B. 859 seeks to provide relief from this tax for active duty members of the U.S. military deployed overseas.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the comptroller of public accounts in SECTION 1 of this bill.

ANALYSIS

H.B. 859 amends the Tax Code to exempt from the motor vehicle sales and use tax the sale or use of a motor vehicle purchased by an active duty member of the U.S. military for the member's own private use if the member is a Texas resident and is deployed outside the United States. The bill requires a member eligible for this exemption to apply to the comptroller of public accounts for a certificate stating that the member is so exempt and requires the comptroller to issue the certificate if the comptroller determines that the member qualifies for the exemption. The bill authorizes the comptroller to adopt rules to implement and administer the bill's provisions.

EFFECTIVE DATE

July 1, 2013, or, if the bill does not receive the necessary vote, September 1, 2013.