

By: Riddle

H.B. No. 433

A BILL TO BE ENTITLED

AN ACT

relating to a franchise tax credit for taxable entities that pay employees during jury selection or jury service.

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

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

SUBCHAPTER K. TAX CREDIT FOR PAYING EMPLOYEE ABSENT FOR JURY SELECTION OR JURY SERVICE

Sec. 171.521. ENTITLEMENT TO CREDIT. A taxable entity is entitled to a credit in the amount and under the conditions and limitations provided by this subchapter against the tax imposed under this chapter.

Sec. 171.522. QUALIFICATION. A taxable entity qualifies for a credit under this subchapter if the taxable entity pays at least one employee the employee's regular salary or regular daily wage for:

(1) each day or fraction of each day the employee is absent from work to attend jury selection or jury service if the employee is absent five days or less; or

(2) at least five days if the employee is absent from work more than five days to attend jury selection or jury service.

Sec. 171.523. AMOUNT; LIMITATIONS. (a) The amount of the credit is equal to 15 percent of the amount of franchise tax due, after any other applicable tax credits, for the privilege period.

1 (b) A taxable entity may claim a credit under this
2 subchapter against the tax owed for a privilege period only if the
3 first day of an employee's period of absence qualifying under
4 Section 171.522 is during the privilege period. A taxable entity
5 may not claim a credit under this subchapter against the tax owed
6 for more than one privilege period for any period of absence
7 described by Section 171.522.

8 (c) A taxable entity may not convey, assign, or transfer a
9 credit under this subchapter to another entity unless all of the
10 assets of the taxable entity are conveyed, assigned, or transferred
11 in the same transaction.

12 Sec. 171.524. APPLICATION FOR CREDIT. A taxable entity
13 must apply for a credit under this subchapter on or with the tax
14 report for the period for which the credit is claimed.

15 Sec. 171.525. RULES. The comptroller shall adopt rules
16 necessary to implement this subchapter.

17 SECTION 2. This Act applies only to a report originally due
18 on or after the effective date of this Act.

19 SECTION 3. This Act takes effect January 1, 2014.