

By: Hilderbran

H.B. No. 1733

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the exclusion of certain flow-through funds by taxable
3 entities engaged in the business of transporting aggregates in
4 determining total revenue for purposes of the franchise tax.

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

6 SECTION 1. Section 171.1011, Tax Code, is amended by adding
7 Subsection (g-8) to read as follows:

8 (g-8) A taxable entity that is primarily engaged in the
9 business of transporting aggregates shall exclude from its total
10 revenue, to the extent included under Subsection (c)(1)(A),
11 (c)(2)(A), or (c)(3), subcontracting payments made by the taxable
12 entity to nonemployee agents for the performance of delivery
13 services on behalf of the taxable entity. In this subsection,
14 "aggregates" means any commonly recognized construction material
15 removed or extracted from the earth, including dimension stone,
16 crushed and broken limestone, crushed and broken granite, other
17 crushed and broken stone, construction sand and gravel, industrial
18 sand, dirt, soil, cementitious material, and caliche.

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

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