

By: King of Hemphill

H.B. No. 2972

A BILL TO BE ENTITLED

AN ACT

relating to exempting premiums for policies covering stored or in-transit baled cotton from certain taxes.

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

SECTION 1. Section 225.004, Insurance Code, is amended by adding Subsection (g) to read as follows:

(g) Premiums on risks or exposures on policies covering stored or in-transit baled cotton for export are not subject to the tax imposed by this chapter.

SECTION 2. Section 226.003(g), Insurance Code, is amended to read as follows:

(g) The following premiums are not subject to the tax imposed by this subchapter:

(1) premiums on insurance procured by a licensed surplus lines agent from an eligible surplus lines insurer as defined by Chapter 981 on which premium tax is paid in accordance with Chapter 225;

(2) premiums on an independently procured contract of insurance on which premium tax is paid in accordance with Subchapter B; ~~and~~

(3) premiums on a contract of insurance written by an insurer that holds a certificate of authority in this state and that is authorized to write the contract; and

(4) premiums on risks or exposures on policies

1 covering stored or in-transit baled cotton for export.

2 SECTION 3. Section 226.053, Insurance Code, is amended by
3 adding Subsection (e) to read as follows:

4 (e) Premiums on risks or exposures on policies covering
5 stored or in-transit baled cotton for export are not subject to the
6 tax imposed by this subchapter.

7 SECTION 4. The change in law made by this Act does not
8 affect tax liability accruing before the effective date of this
9 Act. That liability continues in effect as if this Act had not been
10 enacted, and the former law is continued in effect for the
11 collection of taxes due and for civil and criminal enforcement of
12 the liability for those taxes.

13 SECTION 5. This Act takes effect January 1, 2014.