

By: Hilderbran

H.B. No. 3113

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the application of the exemption from the sales and use
3 tax for property used in manufacturing.

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

5 SECTION 1. Section 151.318, Tax Code, is amended by adding
6 Subsection (v) to read as follows:

7 (v) For purposes of the exemption from the tax imposed by
8 this chapter that is authorized by this section, bringing oil or gas
9 to the surface of the earth is not considered manufacturing,
10 processing, or fabricating for ultimate sale.

11 SECTION 2. The amendment made by this Act is a clarification
12 of existing law and does not imply that existing law may be
13 construed as inconsistent with the law as amended by this Act.

14 SECTION 3. This Act takes effect immediately if it receives
15 a vote of two-thirds of all the members elected to each house, as
16 provided by Section 39, Article III, Texas Constitution. If this
17 Act does not receive the vote necessary for immediate effect, this
18 Act takes effect September 1, 2013.