

By: Hilderbran

H.B. No. 3388

Substitute the following for H.B. No. 3388:

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C.S.H.B. No. 3388

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the computation of costs of goods sold for purposes of
3 the franchise tax by certain taxable entities engaged in film or
4 motion picture exhibition.

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

6 SECTION 1. Section 171.1012, Tax Code, is amended by adding
7 Subsection (r) to read as follows:

8 (r) If a taxable entity that is a movie theater elects to
9 subtract cost of goods sold, the cost of goods sold for the taxable
10 entity shall be the costs described by this section in relation to
11 the acquisition, production, exhibition, or use of a film or motion
12 picture, including expenses for the right to use the film or motion
13 picture.

14 SECTION 2. This Act is a clarification of existing law and
15 does not imply that existing law may be construed as inconsistent
16 with the law as amended by this Act.

17 SECTION 3. This Act takes effect September 1, 2013.