

By: Eiland

H.B. No. 3454

Substitute the following for H.B. No. 3454:

By: Hilderbran

C.S.H.B. No. 3454

A BILL TO BE ENTITLED

1 AN ACT

2 relating to an exemption from the franchise tax for certain  
3 insurance entities.

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

5 SECTION 1. Section 171.052(a), Tax Code, is amended to read  
6 as follows:

7 (a) Except as provided by Subsection (c), an insurance  
8 organization, title insurance company, or title insurance agent  
9 authorized to engage in insurance business in this state that is  
10 ~~[now]~~ required to pay an annual tax ~~[under Chapter 4 or 9, Insurance~~  
11 ~~Code,~~ measured by its gross premium receipts is exempted from the  
12 franchise tax. A nonadmitted insurance organization that is  
13 required to pay a gross premium receipts tax during a tax year is  
14 exempted from the franchise tax for that same tax year. A  
15 nonadmitted insurance organization that is subject to an occupation  
16 tax or any other tax that is imposed for the privilege of doing  
17 business in another state or a foreign jurisdiction, including a  
18 tax on gross premium receipts, is exempted from the franchise tax.

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

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