

By: Patrick

S.B. No. 100

A BILL TO BE ENTITLED

AN ACT

relating to the total revenue exemption for the franchise tax.

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

SECTION 1. Section 171.002(d), Tax Code, as amended by Section 1(a), Chapter 286 (H.B. 4765), Acts of the 81st Legislature, Regular Session, 2009, is amended to read as follows:

(d) A taxable entity is not required to pay any tax and is not considered to owe any tax for a period if:

(1) the amount of tax computed for the taxable entity is less than \$1,000; or

(2) the amount of the taxable entity's total revenue from its entire business is less than or equal to \$5 [~~\$1~~] million or the amount determined under Section 171.006 per 12-month period on which margin is based.

SECTION 2. Section 171.006(b), Tax Code, is amended to read as follows:

(b) Beginning in 2010, on January 1 of each even-numbered year, the amounts prescribed by Sections 171.002(d)(2) [~~171.0021~~] and 171.1013(c) are increased or decreased by an amount equal to the amount prescribed by those sections on December 31 of the preceding year multiplied by the percentage increase or decrease during the preceding state fiscal biennium in the consumer price index and rounded to the nearest \$10,000.

SECTION 3. Section 1(c), Chapter 286 (H.B. 4765), Acts of

1 the 81st Legislature, Regular Session, 2009, as amended by Section  
2 37.01, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called  
3 Session, 2011, is repealed.

4 SECTION 4. Section 2, Chapter 286 (H.B. 4765), Acts of the  
5 81st Legislature, Regular Session, 2009, as amended by Section  
6 37.02, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called  
7 Session, 2011, and which amended former Subsection (d), Section  
8 171.002, Tax Code, is repealed.

9 SECTION 5. Section 3, Chapter 286 (H.B. 4765), Acts of the  
10 81st Legislature, Regular Session, 2009, as amended by Section  
11 37.03, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called  
12 Session, 2011, and which amended former Subsection (a), Section  
13 171.0021, Tax Code, is repealed.

14 SECTION 6. Sections 171.0021 and 171.1016(d), Tax Code, are  
15 repealed.

16 SECTION 7. This Act applies only to a report originally due  
17 on or after the effective date of this Act.

18 SECTION 8. This Act takes effect January 1, 2014.