

By: Patrick

S.B. No. 161

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the computation of the franchise tax by certain taxable
3 entities that rent or lease equipment.

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

5 SECTION 1. Section 171.002, Tax Code, is amended by adding
6 Subsection (c-2) to read as follows:

7 (c-2) Subsection (c)(2) does not apply to total revenue from
8 activities in a trade that rents or leases tangible personal
9 property as described by Industry Group 735 of the Standard
10 Industrial Classification Manual published by the United States
11 Department of Labor.

12 SECTION 2. This Act applies only to a report originally due
13 on or after the effective date of this Act.

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