

By: Watson

S.B. No. 196

A BILL TO BE ENTITLED

AN ACT

relating to the Business Tax Advisory Committee.

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

SECTION 1. Subchapter E, Chapter 171, Tax Code, is amended by adding Section 171.214 to read as follows:

Sec. 171.214. BUSINESS TAX ADVISORY COMMITTEE. (a) The Business Tax Advisory Committee is created. The committee is composed of:

(1) two members of the house of representatives, appointed by the speaker of the house of representatives;

(2) two members of the senate, appointed by the lieutenant governor;

(3) the comptroller; and

(4) the following persons appointed by the comptroller:

(A) at least five residents of this state who are engaged in a private business, as either an employee or an owner, that is subject to taxation under this chapter;

(B) at least two residents of this state with expertise in state business taxation;

(C) at least one resident of this state who represents social services organizations in this state;

(D) at least one resident of this state who is a public school teacher; and

1           (E) at least one resident of this state who is a  
2 public school district administrator or public school board member.

3           (b) The comptroller shall determine the number of residents  
4 appointed under Subsection (a)(4).

5           (c) Not later than July 1 of each odd-numbered year, the  
6 lieutenant governor and the speaker of the house of representatives  
7 shall designate one member of the committee as chair and one member  
8 as vice chair. The power to designate the chair and vice chair  
9 alternates between the lieutenant governor and the speaker so that  
10 in 2013 the lieutenant governor designates the chair and the  
11 speaker designates the vice chair, in 2015 the speaker designates  
12 the chair and the lieutenant governor designates the vice chair,  
13 and so on.

14           (d) The committee shall conduct a biennial study of the  
15 effects of the tax imposed under this chapter on businesses in this  
16 state. The study must take into consideration:

17                   (1) the relative share of the tax paid by industry and  
18 by size of business;

19                   (2) how the incidence of the tax compares with the  
20 economic makeup of this state's business economy;

21                   (3) how the tax compares in structure and in amounts  
22 paid to the business taxes imposed by other states;

23                   (4) the effect of the tax on the economic climate of  
24 this state, including the effect on capital investment and job  
25 creation;

26                   (5) any factors that result in the tax not operating as  
27 intended; and

1           (6) any other item presented by the comptroller or by a  
2 majority of the committee.

3           (e) The comptroller by rule shall establish procedures for  
4 the functions of the committee, including procedures requiring the  
5 committee to issue a report on its findings to the speaker of the  
6 house of representatives, the lieutenant governor, and the governor  
7 not later than the date each regular session of the legislature  
8 begins.

9           (f) The committee shall consider proposed changes to the tax  
10 imposed under this chapter and shall include recommendations for  
11 changes to the tax in the committee's report under Subsection (e).

12           (g) The committee shall meet at the call of the chair:

13                 (1) at least once in each odd-numbered year after the  
14 conclusion of the regular legislative session; and

15                 (2) at least once in each even-numbered year.

16           (h) Section 2110.008, Government Code, does not apply to the  
17 committee.

18           SECTION 2. Not later than the 60th day after the effective  
19 date of this Act, the relevant appointing officers shall appoint  
20 the members of the Business Tax Advisory Committee under Section  
21 171.214, Tax Code, as added by this Act.

22           SECTION 3. Not later than the 90th day after the effective  
23 date of this Act, the lieutenant governor shall designate the chair  
24 and the speaker of the house of representatives shall designate the  
25 vice chair of the Business Tax Advisory Committee under Section  
26 171.214, Tax Code, as added by this Act.

27           SECTION 4. This Act takes effect immediately if it receives

S.B. No. 196

1 a vote of two-thirds of all the members elected to each house, as  
2 provided by Section 39, Article III, Texas Constitution. If this  
3 Act does not receive the vote necessary for immediate effect, this  
4 Act takes effect September 1, 2013.