

By: Lucio

S.B. No. 371

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the manner in which the tax on the even exchange of  
3 motor vehicles is applied.

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

5 SECTION 1. Section 152.024, Tax Code, is amended by  
6 amending Subsection (a) and adding Subsection (d) to read as  
7 follows:

8 (a) A tax is imposed on each party to a transaction  
9 involving the even exchange of two motor vehicles. A transaction  
10 involving the exchange of two motor vehicles is considered an even  
11 exchange only if the difference in the values of the vehicles, as  
12 determined under Subsection (d), is less than or equal to \$80.

13 (d) For purposes of this section, the value of a motor  
14 vehicle involved in an exchange is:

15 (1) the standard presumptive value of the vehicle as  
16 defined by Section 152.0412(a), unless the person applying for  
17 transfer of title establishes the valuation under Subdivision (2);  
18 or

19 (2) the valuation of the vehicle under Section  
20 152.0412(d) if the person applying for transfer of title  
21 establishes the valuation in the manner provided by that section.

22 SECTION 2. Section 152.0412(g), Tax Code, is amended to  
23 read as follows:

24 (g) This section does not apply to a transaction described

1 by Section 152.024, except as provided by Subsection (d) of that  
2 section, or Section 152.025.

3 SECTION 3. Section 152.024, Tax Code, as amended by this  
4 Act, applies only to an exchange of motor vehicles with respect to  
5 which a person applies for a transfer of title on or after the  
6 effective date of this Act. An exchange of motor vehicles with  
7 respect to which a person applies for a transfer of title before the  
8 effective date of this Act is governed by the law in effect on the  
9 date the application for transfer of title is made, and the former  
10 law is continued in effect for that purpose.

11 SECTION 4. The change in law made by this Act does not  
12 affect tax liability accruing before the effective date of this  
13 Act. That liability continues in effect as if this Act had not been  
14 enacted, and the former law is continued in effect for the  
15 collection of taxes due and for civil and criminal enforcement of  
16 the liability for those taxes.

17 SECTION 5. This Act takes effect September 1, 2013.