

By: Lucio

S.B. No. 1443

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to an exemption from sales and use tax for certain property  
3 purchased using money from the community development block grant  
4 disaster recovery program and used to repair or reconstruct a real  
5 property improvement damaged by a natural disaster.

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

7 SECTION 1. Subchapter H, Chapter 151, Tax Code, is amended  
8 by adding Section 151.3502 to read as follows:

9 Sec. 151.3502. CERTAIN MATERIALS PURCHASED UNDER COMMUNITY  
10 DEVELOPMENT BLOCK GRANT DISASTER RECOVERY PROGRAM. (a) Tangible  
11 personal property purchased using money from a community  
12 development block grant disaster recovery program administered by  
13 the General Land Office and used to repair an improvement to real  
14 property damaged by a natural disaster or used to construct a  
15 replacement for an improvement to real property damaged by a  
16 natural disaster is exempted from the taxes imposed by this  
17 chapter.

18 (b) The exemption provided by Subsection (a) applies to the  
19 grant recipient, and to a person who is hired by the grant recipient  
20 and is paid by the grant recipient using grant funds, who purchases  
21 tangible personal property using grant funds for a purpose provided  
22 by Subsection (a).

23 (c) A person who receives a tax exemption under this section  
24 shall use an amount equal to the amount of the exemption to repair

1 an improvement to real property damaged by a natural disaster or to  
2 construct a replacement for an improvement to real property damaged  
3 by a natural disaster.

4 (d) The comptroller by rule may provide documentation  
5 requirements that a person must meet to qualify for the exemption  
6 under this section and to demonstrate that the person complies with  
7 Subsection (c). The General Land Office shall cooperate with the  
8 comptroller in adopting and administering those requirements if  
9 requested by the comptroller.

10 SECTION 2. The change in law made by this Act does not  
11 affect tax liability accruing before the effective date of this  
12 Act. That liability continues in effect as if this Act had not been  
13 enacted, and the former law is continued in effect for the  
14 collection of taxes due and for civil and criminal enforcement of  
15 the liability for those taxes.

16 SECTION 3. This Act takes effect September 1, 2013.