

By: Deuell

S.B. No. 1498

A BILL TO BE ENTITLED

AN ACT

relating to a sales tax exemption for certain items sold to or used by certain venues that present live music.

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

SECTION 1. Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.360 to read as follows:

Sec. 151.360. LIVE MUSIC PRESENTERS. (a) In this section:

(1) "Bar" means a retail business establishment the primary purpose of which is the sale of alcoholic beverages for on-premises consumption.

(2) "Live music presenter" means a bar, nightclub, or restaurant that features a live music performance at least four nights each week.

(3) "Nightclub" means a retail business establishment the primary purpose of which is to provide a forum for dancing where alcoholic beverages are sold for on-premises consumption. The term includes a dance hall where alcoholic beverages are sold for on-premises consumption.

(4) "Restaurant" means a place where food is sold for on-premises consumption.

(b) The following items are exempted from the taxes imposed by this chapter if sold to or used or otherwise consumed by a live music presenter:

(1) an item related to the performance of live music

1 that is eligible for the exemption authorized by Section
2 151.3185(a)(2)(A) for producers of audio recordings;
3 (2) sound and lighting system equipment; and
4 (3) labor related to music-related equipment or
5 materials, including construction related to sound mitigation.

6 SECTION 2. Section 151.360, Tax Code, as added by this Act,
7 does not affect tax liability accruing before the effective date of
8 this Act. That liability continues in effect as if this Act had not
9 been enacted, and the former law is continued in effect for the
10 collection of taxes due and for civil and criminal enforcement of
11 the liability for those taxes.

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