

Amend SB 759 (house committee report) as follows:

(1) Strike SECTIONS 2.01, 2.02, 2.03, 2.04, 2.05, and 2.06 of the bill (page 7, line 24, through page 11, line 26).

(2) Add the following appropriately numbered SECTIONS in ARTICLE 2 of the bill:

SECTION 2.____. Sections 162.001(38), (39), and (42), Tax Code, are amended to read as follows:

(38) "License holder" means a person licensed by the comptroller under Section 162.105, 162.205, [~~162.304, 162.305, 162.306,~~] 162.357, or 162.358.

(39) "Liquefied gas" means all combustible gases that exist in the gaseous state at 60 degrees Fahrenheit and at a pressure of 14.7 pounds per square inch absolute, but does not include compressed natural gas, liquefied natural gas, gasoline, or diesel fuel. Liquefied gas is considered a special fuel for purposes of Section 151.308.

(42) "Motor fuel" means gasoline, diesel fuel, [~~liquefied gas,~~] gasoline blended fuel, compressed natural gas, liquefied natural gas, and other products that are offered for sale, sold, used, or capable of use as fuel for a gasoline-powered engine or a diesel-powered engine.

SECTION 2.____. Section 162.356, Tax Code, is amended to read as follows:

Sec. 162.356. EXEMPTIONS. (a) The tax imposed by this subchapter does not apply to compressed natural gas or liquefied natural gas delivered into the fuel supply tank of:

(1) a motor vehicle operated exclusively by the United States, provided that the exemption does not apply with respect to fuel delivered into the fuel supply tank of a motor vehicle of a person operating under a contract with the United States;

(2) a motor vehicle operated exclusively by a public school district in this state;

(3) a motor vehicle operated exclusively by a commercial transportation company or a metropolitan rapid transit authority operating under Chapter 451, Transportation Code, that provides public school transportation services to a school district under Section 34.008, Education Code, and that uses the fuel only to

provide those services;

(4) a motor vehicle operated exclusively by a volunteer fire department in this state;

(5) a motor vehicle operated exclusively by a municipality or county in this state;

(6) a motor vehicle operated exclusively by a nonprofit electric cooperative corporation organized under Chapter 161, Utilities Code;

(7) a motor vehicle operated exclusively by a nonprofit telephone cooperative corporation organized under Chapter 162, Utilities Code;

(8) a motor vehicle that is not registered for use on the public highways of this state and that is used exclusively off-highway; [~~or~~]

(9) off-highway equipment, a stationary engine, a motorboat, an aircraft, equipment used solely for servicing aircraft and used exclusively off-highway, a locomotive, or any device other than a motor vehicle operated or intended to be operated on the public highways; or

(10) except as provided by Subsection (b), a motor vehicle:

(A) used to provide the services of a transit company, including a metropolitan rapid transit authority under Chapter 451, Transportation Code, or a regional transportation authority under Chapter 452, Transportation Code; and

(B) operated by a person who on January 1, 2015, paid tax on compressed natural gas or liquefied natural gas as provided by Section 162.312, as that section existed on that date.

(b) The exemption provided by Subsection (a)(10) does not apply to compressed natural gas or liquefied natural gas delivered into the fuel supply tank of a motor vehicle from a refueling facility accessible to motor vehicles other than those described by Subsection (a)(10)(A).

SECTION 2.____. Section 162.365(a), Tax Code, is amended to read as follows:

(a) A license holder may take a credit on a return for the period in which the purchase occurred, and a person who does not

hold a license under this subchapter may file a refund claim with the comptroller if the license holder or person paid tax on compressed natural gas or liquefied natural gas and the license holder or person:

(1) is the United States government and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the United States, provided that a credit or refund is not allowed for fuel delivered into the fuel supply tank of a motor vehicle operated by a person operating under a contract with the United States;

(2) is a public school district in this state and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the district;

(3) is a commercial transportation company that provides public school transportation services to a school district under Section 34.008, Education Code, and the fuel was delivered into the fuel supply tank of a motor vehicle used to provide those services;

(4) is a volunteer fire department in this state and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the department;

(5) is a municipality or county in this state and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the municipality or county;

(6) is a nonprofit electric cooperative corporation organized under Chapter 161, Utilities Code, and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the electric cooperative;

(7) is a nonprofit telephone cooperative corporation organized under Chapter 162, Utilities Code, and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the telephone cooperative;

(8) uses the fuel in off-highway equipment, in a stationary engine, in a motorboat, in an aircraft, in equipment used solely for servicing aircraft and used exclusively off-highway, in a locomotive, or for other nonhighway purposes and not in a motor vehicle operated or intended to be operated on the

public highways; or

(9) uses the fuel in a motor vehicle that is operated exclusively off-highway, except for incidental travel on the public highways as determined by the comptroller, provided that a credit or refund may not be allowed for the portion used in the incidental highway travel.

SECTION 2.____. Section 162.404, Tax Code, is amended to read as follows:

Sec. 162.404. CRIMINAL OFFENSES: SPECIAL PROVISIONS AND EXCEPTIONS. (a) A person does not commit an offense under Section 162.403 unless the person intentionally or knowingly engaged in conduct as the definition of the offense requires, except that no culpable mental state is required for an offense under Section 162.403(5) [~~162.403(6)~~].

(b) Each day that a refusal prohibited under Section 162.403(8), (9), or (10) [~~162.403(13), (14), or (15)~~] continues is a separate offense.

(c) The prohibition under Section 162.403(27) [~~162.403(32)~~] does not apply to the tax-free sale or distribution of diesel fuel authorized by Section 162.204(1), (2), or (3).

(d) The prohibition under Section 162.403(28) [~~162.403(33)~~] does not apply to the tax-free sale or distribution of gasoline under Section 162.104(1), (2), or (3).

SECTION 2.____. Section 162.405, Tax Code, is amended to read as follows:

Sec. 162.405. CRIMINAL PENALTIES. (a) An offense under Section 162.403(1), (2), (3), (4), (5), [~~(6)~~] or (7) [~~(8)~~] is a Class C misdemeanor.

(b) An offense under Section 162.403(8), (9) [~~162.403(9)~~], (10), (11), (12), (13), (35), or (36) [~~(14), (15), (16), (17), (18), (40), or (41)~~] is a Class B misdemeanor.

(c) An offense under Section 162.403(14), (15), or (16) [~~162.403(19), (20), or (21)~~] is a Class A misdemeanor.

(d) An offense under Section 162.403(6), (17), (18), (19), (20), (21) [~~162.403(7)~~], (22), (23), or (24) [~~(25), (26), (27), (28), or (29)~~] is a felony of the third degree.

(e) An offense under Section 162.403(25), (26), (27), (28),

(29), (30) [~~162.403(30)~~], (31), (32), (33), or (34) [~~-(35), (36), (37), (38), or (39)~~] is a felony of the second degree.

(f) Violations of three or more separate offenses under the following sections committed pursuant to one scheme or continuous course of conduct may be considered as one offense and punished as a felony of the second degree:

(1) Section 162.403(6) [~~162.403(7)~~];

(2) Sections 162.403(8) [~~162.403(13)~~] through (11) [~~(16)~~]; or

(3) Sections 162.403(17) [~~162.403(22)~~] through (24) [~~(29)~~].

SECTION 2.____. Section 548.051(a), Transportation Code, is amended to read as follows:

(a) A motor vehicle, trailer, semitrailer, pole trailer, or mobile home, registered in this state, must have the following items inspected at an inspection station or by an inspector:

(1) tires;

(2) wheel assembly;

(3) safety guards or flaps, if required by Section 547.606;

(4) brake system, including power brake unit;

(5) steering system, including power steering;

(6) lighting equipment;

(7) horns and warning devices;

(8) mirrors;

(9) windshield wipers;

(10) sunscreening devices, unless the vehicle is exempt from sunscreen device restrictions under Section 547.613;

(11) front seat belts in vehicles on which seat belt anchorages were part of the manufacturer's original equipment;

(12) [~~tax decal, if required by Section 548.104(d)(1), (13)~~] exhaust system;

(13) [~~(14)~~] exhaust emission system;

(14) [~~(15)~~] fuel tank cap, using pressurized testing equipment approved by department rule; and

(15) [~~(16)~~] emissions control equipment as designated by department rule.

(3) Strike SECTION 2.10 of the bill (page 20, line 26, through page 21, line 5) and substitute the following appropriately numbered SECTION in ARTICLE 2 of the bill:

SECTION 2.____. The following provisions of the Tax Code are repealed:

- (1) Section 162.001(40);
- (2) Subchapter D, Chapter 162; and
- (3) Section 162.505.

(4) In SECTION 2.12 of the bill (page 21, lines 12-13), strike "The change in law made by this article to Section 162.403, Tax Code, applies" and substitute "The changes in law made by this article to Sections 162.403, 162.404, and 162.405, Tax Code, apply".

- (5) Renumber the SECTIONS of the bill appropriately.