

Amend **SB 1049** (senate committee printing) as follows:

(1) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Effective January 1, 2020, Section 171.0001(4), Tax Code, is amended to read as follows:

(4) "Beginning date" means:

(A) for a taxable entity chartered or organized in this state, the date on which the taxable entity's charter or organization takes effect; and

(B) for any other taxable entity, the date on which the taxable entity begins doing business in this state.

SECTION _____. Effective January 1, 2020, Section 171.063(g), Tax Code, is amended to read as follows:

(g) If a corporation's federal tax exemption is withdrawn by the Internal Revenue Service for failure of the corporation to qualify or maintain its qualification for the exemption, the corporation's exemption under this section ends on the effective date of that withdrawal by the Internal Revenue Service. The effective date of the withdrawal is considered the corporation's beginning date for purposes of determining the corporation's privilege periods and for all other purposes of this chapter.

SECTION _____. Effective January 1, 2020, the following sections are repealed:

- (1) Section 171.0005, Tax Code;
- (2) Section 171.001(d), Tax Code;
- (3) Section 171.204(d), Tax Code; and
- (4) Section 12.005, Business Organizations Code.

SECTION _____. The changes in law made by this Act that take effect January 1, 2020, do not apply to a business that first qualifies before that date as a new veteran-owned business as defined by Section 171.0005, Tax Code, as that section exists immediately before that date. A business that first qualifies before January 1, 2020, as a new veteran-owned business is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.

(2) In SECTION 7 of the bill (page 2, line 55), between "SECTION 7." and "Act", strike "This" and substitute "Except as

otherwise provided by this Act, this".