

By: Bohac

H.B. No. 1315

A BILL TO BE ENTITLED

AN ACT

relating to temporary permissive alternate rates for the franchise tax.

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

SECTION 1. Subchapter A, Chapter 171, Tax Code, is amended by adding Section 171.0024 to read as follows:

Sec. 171.0024. TEMPORARY PERMISSIVE ALTERNATE RATES FOR 2016 AND 2017. (a) Notwithstanding Section 171.002(a) and subject to Section 171.1016 and Subsection (b) of this section, a taxable entity may elect to pay the tax imposed under this chapter at a rate of 0.95 percent of taxable margin.

(b) Notwithstanding Section 171.002(b) and subject to Section 171.1016, a taxable entity primarily engaged in retail or wholesale trade as defined by Sections 171.002(c) and (c-1) may elect to pay the tax imposed under this chapter at a rate of 0.475 percent of taxable margin.

(c) This section applies only to a report originally due on or after January 1, 2016, and before January 1, 2018.

(d) This section expires December 31, 2017.

SECTION 2. This Act takes effect September 1, 2015.