

By: Bonnen of Galveston, Fallon

H.B. No. 1871

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the duty of the comptroller to report sales and use tax
3 information to certain taxing entities.

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

5 SECTION 1. Section [321.302](#), Tax Code, is amended by
6 amending Subsections (b) and (c) and adding Subsections (e), (f),
7 and (g) to read as follows:

8 (b) If a municipality requests an additional report, the
9 comptroller shall make an additional quarterly report to the
10 municipality including the name, address, and account number, if
11 any, of, and the amount of tax received and the amount due to the
12 municipality from, each person doing business in the municipality
13 who has failed to pay the full amount of tax due under this chapter
14 to the municipality or under Chapter 151. The additional report
15 must also include statements:

16 (1) showing whether or not there has been a partial tax
17 payment by the delinquent taxpayer;

18 (2) showing whether or not the taxpayer is delinquent
19 in the payment of sales and use taxes due to the municipality or to
20 the state; and

21 (3) describing the steps taken by the comptroller to
22 collect or allocate the delinquent taxes due to the municipality.

23 (c) If a municipality determines that a person doing
24 business in the municipality has not fully collected or reported

1 taxes due to the municipality under this chapter [~~is not included in~~
2 ~~a comptroller's report~~], the municipality shall report to the
3 comptroller the name and address of the person and must include with
4 the report a detailed statement of the facts and legal authorities
5 that support the municipality's determination that the taxes have
6 not been fully collected or reported. Within 120 [~~90~~] days after
7 receiving the report from a municipality, the comptroller shall
8 send to the municipality:

9 (1) an explanation as to why the person is not
10 obligated for the municipal tax;

11 (2) a statement that the person is obligated for the
12 municipal tax and the tax is delinquent that includes:

13 (A) a description of the action the comptroller
14 is taking to collect and allocate the delinquent tax; and

15 (B) the date and periods covered by the most
16 recent audit of the person by the comptroller or a statement that
17 the comptroller has not conducted an audit of the person; or

18 (3) a certification that the person is obligated for
19 the municipal tax, the periods for which the person is obligated,
20 [~~and that~~] the [~~full~~] amount of the tax due, and a statement as to
21 whether the tax due has been credited to the municipality's
22 account.

23 (e) The comptroller may set and collect from the
24 municipality or other local governmental entity reasonable fees to
25 cover the expense of compiling and providing information.

26 (f) A municipality providing a report to the comptroller
27 under Subsection (c) preserves the right to receive from the

1 comptroller the tax reported to the comptroller and found to be due
2 to the municipality from the person that is the subject of the
3 report for the four years preceding the date the comptroller
4 receives the report from the municipality and for each subsequent
5 reporting period until the comptroller has fulfilled the
6 comptroller's duties under that subsection.

7 (g) Information received by a municipality under this
8 section is confidential and not subject to disclosure under Chapter
9 552, Government Code. The information may be used by the
10 municipality only for the purpose of economic forecasting or for
11 internal auditing of a tax paid to the municipality under this
12 chapter.

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