

AN ACT

relating to the sale of a new motor vehicle to certain manufacturers or distributors.

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

SECTION 1. Section 152.001(2), Tax Code, is amended to read as follows:

(2) "Retail sale" means a sale of a motor vehicle except:

(A) the sale of a new motor vehicle in which the purchaser is a franchised dealer who is authorized by law and by franchise agreement to offer the vehicle for sale as a new motor vehicle and who acquires the vehicle either for the exclusive purpose of sale in the manner provided by law or for purposes allowed under Chapter 503, Transportation Code;

(B) the sale of a vehicle other than a new motor vehicle in which the purchaser is a dealer who holds a dealer's general distinguishing number issued under Chapter 503, Transportation Code, and who acquires the vehicle either for the exclusive purpose of resale in the manner provided by law or for purposes allowed under Chapter 503, Transportation Code; ~~or~~

(C) the sale to a franchised dealer of a new motor vehicle removed from the franchised dealer's inventory for the purpose of entering into a contract to lease the vehicle to another person if, immediately after executing the lease contract, the

1 franchised dealer transfers title of the vehicle and assigns the
2 lease contract to the lessor of the vehicle; or

3 (D) the sale of a new motor vehicle in which the
4 purchaser is a manufacturer or distributor as those terms are
5 defined by Section 2301.002, Occupations Code, who acquires the
6 motor vehicle either for the exclusive purpose of sale in the manner
7 provided by law or for purposes allowed under Section 503.064,
8 Transportation Code.

9 SECTION 2. The change in law made by this Act does not
10 affect tax liability accruing before the effective date of this
11 Act. That liability continues in effect as if this Act had not been
12 enacted, and the former law is continued in effect for the
13 collection of taxes due and for civil and criminal enforcement of
14 the liability for those taxes.

15 SECTION 3. This Act takes effect September 1, 2015.

President of the Senate

Speaker of the House

I certify that H.B. No. 2400 was passed by the House on April 29, 2015, by the following vote: Yeas 145, Nays 0, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2400 was passed by the Senate on May 15, 2015, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor