

By: Parker

H.B. No. 2637

Substitute the following for H.B. No. 2637:

By: Springer

C.S.H.B. No. 2637

A BILL TO BE ENTITLED

AN ACT

1
2 relating to apportionment of margin from receipts from the sale of
3 locomotives for purposes of the franchise tax.

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

5 SECTION 1. Section 171.106, Tax Code, is amended by adding
6 Subsection (h) to read as follows:

7 (h) The portion of a taxable entity's receipts from the sale
8 of locomotives sold for use in interstate commerce that are
9 receipts from business done in this state is determined by
10 multiplying the taxable entity's total receipts from the sale of
11 locomotives sold for use in interstate commerce by a fraction, the
12 numerator of which is the number of miles of railway track in this
13 state and the denominator of which is the number of miles of railway
14 track in the United States. In this subsection, "locomotive" means
15 self-propelled railroad equipment consisting of one or more units
16 designed to operate on stationary steel rails or electromagnetic
17 guideways.

18 SECTION 2. This Act applies only to a report originally due
19 on or after the effective date of this Act.

20 SECTION 3. This Act takes effect January 1, 2016.