

By: Nelson

S.B. No. 52

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the computation of the franchise tax; decreasing the
3 rates of the franchise tax.

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

5 SECTION 1. Sections 171.002(a), and (b), Tax Code, are
6 amended to read as follows:

7 (a) Subject to Sections 171.003 and 171.1016 and except as
8 provided by Subsection (b), the rate of the franchise tax is 0.95
9 [~~one~~] percent of taxable margin.

10 (b) Subject to Sections 171.003 and 171.1016, the rate of
11 the franchise tax is 0.475 [~~0.5~~] percent of taxable margin for those
12 taxable entities primarily engaged in retail or wholesale trade.

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

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