

By: Taylor of Collin

S.B. No. 755

A BILL TO BE ENTITLED

AN ACT

relating to the application of the sales and use tax to certain computer program transactions.

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

SECTION 1. Section 151.006, Tax Code, is amended by adding Subsection (d) to read as follows:

(d) A sale for resale includes the sale of a computer program to a provider of Internet hosting who acquires the computer program for the purpose of selling the right to use the computer program to an unrelated user of Internet hosting services. Notwithstanding Section 151.302(b), this subsection applies regardless of whether the unrelated user of Internet hosting services purchases the right to use the computer program from the provider of Internet hosting through the acquisition of a license, for a fee without a license, or as part of a service. In this subsection, "Internet hosting" has the meaning assigned by Section 151.108(a).

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

SECTION 3. This Act takes effect immediately if it receives

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1 a vote of two-thirds of all the members elected to each house, as
2 provided by Section 39, Article III, Texas Constitution. If this
3 Act does not receive the vote necessary for immediate effect, this
4 Act takes effect September 1, 2015.