

By: Zaffirini

S.B. No. 1860

A BILL TO BE ENTITLED

AN ACT

relating to the definition of "heavy equipment" for purposes of the ad valorem taxation of certain dealer's heavy equipment inventory.

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

SECTION 1. Section 23.1241(a)(6), Tax Code, is amended to read as follows:

(6) "Heavy equipment" means self-propelled, self-powered, or pull-type equipment, including farm equipment or a diesel engine, that weighs at least 1,500 pounds and is intended to be used for agricultural, construction, industrial, maritime, mining, or forestry uses. The term does not include:

(A) a motor vehicle [~~that is~~] required by [~~+~~]
[~~(A)~~] Chapter 501, Transportation Code, to be titled; [~~or~~]

(B) a motor vehicle required by Chapter 502, Transportation Code, to be registered; or

(C) equipment used for purposes of producing oil or gas that:

(i) is leased or rented to a person by a dealer; and

(ii) is of a type designed to not be moved to a different location during a 12-month period.

SECTION 2. This Act applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this Act.

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