

By: Wray

H.B. No. 423

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the computation of cost of goods sold for purposes of  
3 the franchise tax by taxable entities that transport ready-mixed  
4 concrete.

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

6 SECTION 1. Section 171.1012, Tax Code, is amended by adding  
7 Subsection (r) to read as follows:

8 (r) Notwithstanding Subsection (e)(3) or (6) or any other  
9 provision of this section, a taxable entity that transports  
10 ready-mixed concrete may subtract as cost of goods sold  
11 distribution costs regardless of whether the taxable entity owns  
12 the ready-mixed concrete.

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, 2018.