

By: Guillen

H.B. No. 1164

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the application of the sales and use tax to the lease or
3 rental to a caterer of certain tangible personal property.

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

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

7 (e) A sale for resale includes the lease or rental of
8 reusable tangible personal property to a caterer if the caterer
9 uses the property in a sale of a taxable item. In this subsection,
10 "caterer" means a person engaged in the business of preparing and
11 serving meals, drinks, or other food products at locations
12 designated by customers.

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

19 SECTION 3. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2017.