

By: Frullo

H.B. No. 2381

Substitute the following for H.B. No. 2381:

By: Shine

C.S.H.B. No. 2381

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the applicability of the sales and use tax to certain
3 insurance services.

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

5 SECTION 1. Section 151.0039, Tax Code, is amended by
6 amending Subsection (b) and adding Subsection (c) to read as
7 follows:

8 (b) "Insurance service" does not include:

9 (1) insurance coverage for which a premium is paid or
10 commissions paid to insurance agents for the sale of insurance or
11 annuities; ~~or~~

12 (2) a service performed on behalf of an insured by a
13 person licensed under Chapter 4102, Insurance Code;

14 (3) a service performed by a certified public
15 accountancy firm, if less than one percent of the firm's total
16 revenue in the prior calendar year is from services in this state
17 that would otherwise constitute insurance service under Subsection
18 (a); or

19 (4) a service performed on behalf of a certified
20 public accountancy firm by an owner of the firm or a member of the
21 firm's affiliated group, if less than one percent of the owner's or
22 member's total revenue in the prior calendar year is from services
23 in this state that would otherwise constitute insurance service
24 under Subsection (a).

1 (c) In this section:

2 (1) "Affiliated group" has the meaning assigned by
3 Section 171.0001.

4 (2) "Certified public accountancy firm" has the
5 meaning assigned by Section 901.002, Occupations Code.

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

12 SECTION 3. This Act takes effect January 1, 2018.