

By: Raymond

H.B. No. 2751

A BILL TO BE ENTITLED

AN ACT

relating to the classification of certain streaming video as tangible personal property for purposes of the sales and use tax.

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

SECTION 1. Section 151.0033, Tax Code, is amended to read as follows:

Sec. 151.0033. "CABLE TELEVISION SERVICE". (a) "Cable television service" means the distribution of video programming with or without use of wires to subscribing or paying customers.

(b) "Cable television service" does not include streaming video provided via the Internet or similar technology, regardless of the type of device used by the purchaser to receive the streaming video.

SECTION 2. Section 151.009, Tax Code, is amended to read as follows:

Sec. 151.009. "TANGIBLE PERSONAL PROPERTY". (a) "Tangible personal property" means personal property that can be seen, weighed, measured, felt, or touched or that is perceptible to the senses in any other manner.

(b) "Tangible personal property" [~~and, for the purposes of this chapter, the term~~] includes:

(1) a computer program;

(2) [~~and~~] a telephone prepaid calling card; and

(3) streaming video provided via the Internet or

1 similar technology, regardless of the type of device used by the
2 purchaser to receive the streaming video.

3 SECTION 3. The changes in law made by this Act do not affect
4 tax liability accruing before the effective date of this Act. That
5 liability continues in effect as if this Act had not been enacted,
6 and the former law is continued in effect for the collection of
7 taxes due and for civil and criminal enforcement of the liability
8 for those taxes.

9 SECTION 4. This Act takes effect September 1, 2017.