

By: Gutierrez

H.B. No. 3138

A BILL TO BE ENTITLED

AN ACT

relating to the definition of intangible personal property for ad  
valorem tax purposes.

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

SECTION 1. Section 1.04(6), Tax Code, is amended to read as  
follows:

(6) "Intangible personal property" means a claim,  
interest (other than an interest in tangible property), right, or  
other thing that has value but cannot be seen, felt, weighed,  
measured, or otherwise perceived by the senses, although its  
existence may be evidenced by a document. The term [It] includes:

(A) a stock, bond, note or account receivable,  
franchise, license or permit, demand or time deposit, certificate  
of deposit, share account, share certificate account, share deposit  
account, insurance policy, annuity, pension, cause of action,  
contract, and goodwill;

(B) the value of:

(i) a brand name;

(ii) a business service; or

(iii) a business; and

(C) income derived from the operation of a  
business other than income from use of the property.

SECTION 2. This Act takes effect September 1, 2017.