

By: Schwertner

S.B. No. 575

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the total revenue exemption for the franchise tax.

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

4 SECTION 1. Section 171.002(d), Tax Code, is amended to read  
5 as follows:

6 (d) A taxable entity is not required to pay any tax and is  
7 not considered to owe any tax for a period if:

8 (1) the amount of tax computed for the taxable entity  
9 is less than \$1,000; or

10 (2) the amount of the taxable entity's total revenue  
11 from its entire business is less than or equal to \$4 [~~\$1~~] million or  
12 the amount determined under Section 171.006 per 12-month period on  
13 which margin is based.

14 SECTION 2. This Act applies only to a report originally due  
15 on or after the effective date of this Act.

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