

By: Thompson of Brazoria

H.B. No. 263

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from motor vehicle sales and use taxes for certain previously leased motor vehicles.

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

SECTION 1. Subchapter E, Chapter 152, Tax Code, is amended by adding Section 152.094 to read as follows:

Sec. 152.094. PURCHASE BY LESSEE. The taxes imposed by Sections 152.021 and 152.022 do not apply to the retail sale of a motor vehicle on termination of a lease of the motor vehicle if:

(1) the purchaser was the lessee under the lease; and

(2) the seller:

(A) was the lessor under the lease; and

(B) originally purchased the motor vehicle for the purpose of leasing the motor vehicle and paid the tax due under this chapter or the tax due to another state on that purchase.

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

SECTION 3. This Act takes effect September 1, 2019.