

By: Darby

H.B. No. 1089

A BILL TO BE ENTITLED

AN ACT

relating to the classification of certain entities as primarily engaged in retail trade for purposes of the franchise tax.

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

SECTION 1. Section 171.0001(12), Tax Code, is amended to read as follows:

(12) "Retail trade" means:

(A) the activities described in Division G of the 1987 Standard Industrial Classification Manual published by the federal Office of Management and Budget;

(B) apparel rental activities classified as Industry 5999 or 7299 of the 1987 Standard Industrial Classification Manual published by the federal Office of Management and Budget;

(C) the activities classified as Industry Group 753 of the 1987 Standard Industrial Classification Manual published by the federal Office of Management and Budget;

(D) rental-purchase agreement activities regulated by Chapter 92, Business & Commerce Code;

(E) activities involving the rental or leasing of tools, party and event supplies, and furniture that are classified as Industry 7359 of the 1987 Standard Industrial Classification Manual published by the federal Office of Management and Budget;

~~and~~

1 (F) heavy construction equipment rental or
2 leasing activities classified as Industry 7353 of the 1987 Standard
3 Industrial Classification Manual published by the federal Office of
4 Management and Budget; and

5 (G) activities involving the rental of
6 industrial uniforms, industrial garments, and industrial linen
7 supplies that are classified as Industry 7213 or 7218 of the 1987
8 Standard Industrial Classification Manual published by the federal
9 Office of Management and Budget.

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

12 SECTION 3. This Act takes effect January 1, 2021.