

By: Wilson

H.B. No. 4387

A BILL TO BE ENTITLED

AN ACT

relating to the applicability of sales and use taxes to unprocessed sand, dirt, and gravel and the use of certain state revenue derived from those taxes for county road maintenance.

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

SECTION 1. 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) The ~~[, and, for the purposes of this chapter, the]~~ term includes:

(1) a computer program;

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

(3) sand, dirt, gravel, and similar material, regardless of whether or how the material is processed before sale.

SECTION 2. Section 151.801, Tax Code, is amended by amending Subsections (a) and (d) and adding Subsection (c-4) to read as follows:

(a) Except for the amounts allocated under Subsections (b), (c), ~~[and]~~ (c-2), and (c-4), all proceeds from the collection of the taxes imposed by this chapter shall be deposited to the credit of the general revenue fund.

1 (c-4) An amount equal to the revenue derived from the
2 collection of taxes at the rate of 4.5 percent on the sale of
3 unprocessed aggregate extracted in this state shall be held in
4 trust by the comptroller for the benefit of the county where the
5 pit, mine, or quarry from which the material was extracted is
6 principally located. At least twice each fiscal year, the
7 comptroller shall, without appropriation, disburse to each county
8 the amount of money held in trust for the county under this
9 subsection. A county shall deposit money received under this
10 subsection to the credit of the county's road and bridge fund and
11 may use the money only for the purpose of road maintenance.

12 (d) The comptroller shall determine the amount to be
13 deposited to the state highway fund under Subsection (b) according
14 to available statistical data indicating the estimated average or
15 actual consumption or sales of lubricants used to propel motor
16 vehicles over the public roadways. The comptroller shall determine
17 the amounts to be deposited to the funds or accounts under
18 Subsection (c) according to available statistical data indicating
19 the estimated or actual total receipts in this state from taxable
20 sales of sporting goods. The comptroller shall determine the
21 amount to be deposited to the fund under Subsection (c-2) according
22 to available statistical data indicating the estimated or actual
23 total receipts in this state from taxes imposed on sales at retail
24 of fireworks. The comptroller shall determine the amount to be held
25 in trust for a county under Subsection (c-4) according to available
26 statistical data indicating the estimated or actual total receipts
27 in this state from taxes imposed on sales of unprocessed aggregate

1 and available statistical data or other information indicating
2 where the unprocessed aggregate was extracted. If satisfactory
3 data are not available, the comptroller may require taxpayers who
4 make taxable sales or uses of those lubricants, of sporting goods,
5 [~~or~~] of fireworks, or of unprocessed aggregate to report to the
6 comptroller as necessary to make the allocation required by
7 Subsection (b), (c), [~~or~~] (c-2), or (c-4).

8 SECTION 3. Section 151.801(e), Tax Code, is amended by
9 adding Subdivision (4) to read as follows:

10 (4) "Unprocessed aggregate" means unprocessed sand,
11 dirt, gravel, or similar material that was not taxed for a period
12 beginning in June 1988 by reason of comptroller policy.

13 SECTION 4. The changes in law made by this Act do not affect
14 tax liability accruing before the effective date of this Act. That
15 liability continues in effect as if this Act had not been enacted,
16 and the former law is continued in effect for the collection of
17 taxes due and for civil and criminal enforcement of the liability
18 for those taxes.

19 SECTION 5. This Act takes effect September 1, 2019.