

House Bill 4032
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Section 31.003(16), Parks and Wildlife Code, is amended to read as follows:

(16) "Distributor" means a person who offers for sale, sells, or processes for distribution new vessels [~~boats~~] or outboard motors to dealers in this state.

SECTION 2. Section 31.006(a), Parks and Wildlife Code, is amended to read as follows:

(a) The department may authorize a dealer who holds a dealer's or manufacturer's number to act as the agent of the department under Subchapter B [~~of this chapter~~] and under Chapter 160, Tax Code, for the issuance of certificates of number and the collection of fees and taxes for vessels and outboard motors [~~boats~~] sold by that dealer.

No equivalent provision.

No equivalent provision.

SENATE VERSION (IE)

SECTION 1. Same as House version.

SECTION 2. Same as House version.

SECTION __. Section 31.037(c), Parks and Wildlife Code, is amended to read as follows:

(c) The new owner of a vessel shall, not later than the 45th [~~20th~~] day after the date ownership was transferred, submit an application to the department with:

- (1) evidence of ownership;
- (2) the new owner's name and address;
- (3) the number of the vessel; and
- (4) a fee of \$2 or an amount set by the commission, whichever amount is more. [FA1(2)]

SECTION 3. The heading to Section 31.041, Parks and Wildlife Code, is amended to read as follows:

CONFERENCE

House Bill 4032
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

Sec. 31.041. DUTIES OF DEALERS, DISTRIBUTORS, AND MANUFACTURERS; LICENSE REQUIRED
~~[DEALER'S, DISTRIBUTOR'S, AND MANUFACTURER'S LICENSE].~~

No equivalent provision.

SECTION 4. Section 31.041, Parks and Wildlife Code, is amended by amending Subsection (f) and adding Subsections (h) and (i) to read as follows:

(f) A dealer, distributor, or manufacturer holding a dealer's, distributor's, or manufacturer's license may issue a reasonable temporary facsimile of the number issued under Subsection (c), which may be used by any authorized person. ~~[A person purchasing a vessel may use the dealer's number for a period not to exceed 15 days prior to filing an application for a certificate of number.]~~ The form of the facsimile and the manner of display of the number shall be prescribed by the department.

(h) Not later than the 45th day after a dealer, distributor, or manufacturer holding a dealer's, distributor's, or manufacturer's license sells at the first or a subsequent sale a vessel or outboard motor, the dealer, distributor, or manufacturer shall apply, in the name of the purchaser of the vessel or outboard motor, for a certificate of number or a certificate of title for the vessel or outboard motor, as applicable, and file with the department each document necessary to transfer the certificate of number or certificate of title.

(i) A person purchasing a vessel may use the temporary facsimile number issued under Subsection (f) for a period not to exceed 45 days from the date the dealer, distributor, or manufacturer applies for a certificate of number or a certificate of title under Subsection (h). The person shall

House Bill 4032
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

retain the facsimile number on the vessel for the period described by this subsection. [FA1(1)]

SECTION __. Sections 31.046(a) and (b), Parks and Wildlife Code, are amended to read as follows:

(a) Except as provided in Subsections (b) and (c) of this section, the purchaser of a vessel or an outboard motor shall apply to the department or to a county tax assessor-collector for a certificate of title not later than the 45th day [~~20 days~~] after the date of the sale of the vessel or outboard motor.

(b) A manufacturer or a dealer who sells a vessel or an outboard motor to a person other than a manufacturer or a dealer shall apply to the department or to a county tax assessor-collector for a certificate of title for the vessel or outboard motor in the name of the purchaser not later than the 45th day [~~20 days~~] after the date of the sale. [FA1(2)]

SECTION __. Section 31.053(c), Parks and Wildlife Code, is amended to read as follows:

(c) The transferor shall provide the documents or evidence required by Subsection (a) of this section to the department or the transferee, as appropriate, in sufficient time to allow the transferee to register and obtain a certificate of title for the vessel or outboard motor not later than the 45th day [~~20 days~~] after the date of the sale. [FA1(2)]

SECTION 5. Same as House version.

No equivalent provision.

No equivalent provision.

SECTION 3. Section 160.001(2), Tax Code, is amended to read as follows:

(2) "Boat" means a vessel not more than 115 feet in length, measured from the tip of the bow in a straight line to the stern

House Bill 4032
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

~~[has the meaning assigned by Section 31.003, Parks and Wildlife Code].~~

SECTION 4. Subchapter B, Chapter 160, Tax Code, is amended by adding Sections 160.0246, 160.0247, and 160.026 to read as follows:

Sec. 160.0246. EXEMPTION FOR CERTAIN BOATS AND MOTORS TEMPORARILY USED IN THIS STATE.

(a) The taxes imposed by this chapter do not apply to the sale of a taxable boat or motor if:

(1) the boat or motor is sold in this state for use in another state or nation and is removed from this state not more than 10 days after the date of purchase;

(2) the boat or motor:

(A) is sold in this state for use in another state or nation;

(B) not later than the 10th day after the date the boat or motor is purchased, is docked at or placed in a boat repair facility registered with the comptroller for repairs or modifications;

(C) is not used by a person while it is being repaired or modified, except as necessary to test the repairs or modifications; and

(D) is removed from this state not more than 20 days after the date the repairs or modifications are finished; or

(3) the boat or motor:

(A) is sold in this state for use in another state or nation;

(B) displays a permit described by Section 160.0247 at all times after the boat or motor is purchased until the boat or motor is removed from this state; and

(C) is removed from this state not more than 90 days after the date of purchase.

SENATE VERSION (IE)

SECTION 6. Same as House version.

CONFERENCE

House Bill 4032
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

(b) The tax imposed by Section 160.022 does not apply to a taxable boat or motor used in this state or brought into this state for use if the boat or motor:

(1) has a current certificate of number issued under any federal law or a federally approved numbering system of another state;

(2) displays a permit described by Section 160.0247 at all times while the boat or motor is located in this state; and

(3) is removed from this state not more than 90 days after the date the boat or motor is brought into this state.

(c) The comptroller shall adopt rules and procedures to implement this section and Section 160.0247.

Sec. 160.0247. TEMPORARY USE PERMIT. (a) The comptroller or an agent of the department may issue a temporary use permit to the owner of a taxable boat or motor that qualifies for an exemption from tax under Section 160.0246(a)(3) or (b).

(b) The fee for a permit is \$150.

(c) A permit is valid for 90 days and may not be renewed.

(d) The owner of a taxable boat or motor may obtain not more than two permits in a calendar year for the boat or motor. The second permit in a calendar year may not be issued before the 30th day after the date the first permit expires.

Sec. 160.026. LIMITATION ON AMOUNT OF TAX. Notwithstanding any other law, the tax imposed under Section 160.021 on the sale of a taxable boat or motor may not exceed \$18,750.

No equivalent provision.

SECTION __. Sections 160.041(c) and (e), Tax Code, are amended to read as follows:

House Bill 4032
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

(c) The tax imposed by Section 160.021 is due on the 45th [~~20th~~] working day after the date that the taxable boat or motor is delivered to the purchaser. The purchaser or the seller, if the purchaser paid the tax to the seller, shall pay the tax to the department, to an agent of the department, or to a tax assessor-collector on or before the due date.

(e) The tax imposed by Section 160.022 or 160.023 is due on the 45th [~~20th~~] working day after the date that the taxable boat or motor is brought into this state. The person liable for the tax shall pay the tax to the department or to a tax assessor-collector on or before the due date. [FA1(2)]

SECTION 5. 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 7. Same as House version.

SECTION 6. This Act takes effect September 1, 2019.

SECTION 8. Same as House version.