

Amend CSHB 1520 (senate committee printing) as follows:

(1) In SECTION 5 of the bill, strike added Section 104.375, Utilities Code (page 11, line 69, through page 12, line 11), and substitute the following:

Sec. 104.375. TAX EXEMPTION. (a) The sale or purchase of or revenue derived from services performed in the issuance or transfer of customer rate relief bonds issued under this subchapter is exempt from taxation by this state or a political subdivision of this state.

(b) A gas utility's receipt of customer rate relief charges is exempt from state and local sales and use taxes and utility gross receipts taxes and assessments, and is excluded from revenue for purposes of franchise tax under Section 171.1011, Tax Code.

(2) In SECTION 5 of the bill, in added Subchapter I, Chapter 104, Utilities Code (page 12, between lines 11 and 12), insert the following:

Sec. 104.376. RECOVERABLE TAX EXPENSE. A tax obligation of the gas utility arising from receipt of customer rate relief bond proceeds or from the collection or remittance of customer rate relief charges is an allowable expense under Section 104.055.

(3) Renumber subsequent sections of added Subchapter I, Chapter 104, Utilities Code, accordingly.