

BILL ANALYSIS

H.B. 2625
By: Noble
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been noted that public universities are not required to collect sales tax on the issuance of academic transcripts. However, when a private university furnishes an academic transcript for a fee, this service falls under the definition of an "information service" for purposes of the Limited Sales, Excise, and Use Tax Act. Therefore, private universities are required to collect sales tax when imposing a fee for the furnishing of an academic transcript. There have been calls to ensure that students and graduates from all universities are treated equally when requesting their transcripts. H.B. 2625 seeks to remedy this situation by exempting the furnishing of academic transcripts from sales and use taxes.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2625 amends the Tax Code to exclude the furnishing of an academic transcript from the definition of "information service" for purposes of the Limited Sales, Excise, and Use Tax Act.

EFFECTIVE DATE

October 1, 2021.