

BILL ANALYSIS

Senate Research Center
87R5782 RDS-F

H.B. 2628
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Transportation
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under Section 152.041, Tax Code, motor vehicle sales and use taxes are due 20 working days after the motor vehicle is delivered to the purchaser, brought into the state, or equipped with equipment that makes it eligible to be registered in the state. Some have suggested amending the due date of motor vehicle sales and use taxes to clear up confusion among different county policies and align the date with the deadline to register the vehicle.

The bill amends the deadline to pay motor vehicle sales and use taxes so that payment is due 30 days, rather than 20 working days, after the vehicle was delivered to the purchaser, brought into the state, or equipped with equipment that made it eligible for registration. An appraisal by a tax assessor-collector to determine the taxable value of a motor vehicle would have to be obtained by the purchaser of the vehicle within 30 days, rather than 20 working days, after the vehicle was delivered to the purchaser or brought into the state.

H.B. 2628 amends current law relating to the administration and collection of motor vehicle sales and use taxes.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 152.041(c), (d), and (f), Tax Code, as follows:

(c) Provides that except as provided by Subsection (f) and Section 152.047 (Collection of Tax on Seller-Financed Sale), the tax imposed by Section 152.021 (Retail Sales Tax) is due on the 30th day, rather than the 20th working day, after the date the motor vehicle is delivered to the purchaser.

(d) Provides that except as provided by Subsection (f), the tax imposed by Section 152.022 (Tax on Motor Vehicle Purchased Outside this State) is due on the 30th day, rather than the 20th working day, after the date the motor vehicle is brought into this state.

(f) Provides that the tax imposed by Section 152.021 or 152.022 on a motor vehicle designed for commercial use is due on the 30th day, rather than the 20th working day, after the date the motor vehicle is equipped with a body or other equipment that enables the motor vehicle to be eligible to be registered under the Transportation Code.

SECTION 2. Amends Section 152.0412(d-1), Tax Code, as follows:

(d-1) Provides that an appraisal described by Subsection (d)(2) (relating to requiring the county tax assessor-collector to compute the tax imposed on the valuation of a motor vehicle if the valuation is shown on a certain appraisal) has certain requirements, including the requirement that it be obtained by the purchaser of the vehicle not later than

the 30th day, rather than the 20th working day, after the date the motor vehicle is delivered to the purchaser or is brought into this state, as applicable.

SECTION 3. Provides that the change in law made by this Act does not affect tax liability accruing before the effective date of this Act. Provides that liability continues in effect as if the 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 4. Effective date: September 1, 2021.