

By: Noble

H.B. No. 2626

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the imposition of the use tax on tangible personal  
3 property purchased in another state and transferred to an affiliate  
4 of the purchaser before being brought into this state for storage,  
5 use, or other consumption.

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

7 SECTION 1. Section 151.101(a), Tax Code, is amended to read  
8 as follows:

9 (a) A tax is imposed on the storage, use, or other  
10 consumption in this state of a taxable item purchased [~~from a~~  
11 ~~retailer~~] for storage, use, or other consumption in this state.

12 SECTION 2. The heading to Section 151.105, Tax Code, is  
13 amended to read as follows:

14 Sec. 151.105. IMPORTATION FOR STORAGE, USE, OR CONSUMPTION  
15 PRESUMED; IMPOSITION OF TAX ON IMPORTED PROPERTY.

16 SECTION 3. Section 151.105, Tax Code, is amended by  
17 amending Subsection (a) and adding Subsections (c) and (d) to read  
18 as follows:

19 (a) Tangible personal property that is shipped or brought  
20 into this state by a purchaser or by an affiliate of the purchaser  
21 is presumed, in the absence of evidence to the contrary, to have  
22 been purchased [~~from a retailer~~] for storage, use, or consumption  
23 in this state.

24 (c) The tax under Section 151.101 is imposed on the sales

1 price paid by the purchaser of tangible personal property that is  
2 shipped or brought into this state by an affiliate of the purchaser.

3 (d) For purposes of this section, "affiliate" means an  
4 entity that would be classified as a member of the purchaser's  
5 affiliated group under Section [171.0001](#).

6 SECTION 4. The change in law made by this Act does not  
7 affect tax liability accruing before the effective date of this  
8 Act. That liability continues in effect as if this Act had not been  
9 enacted, and the former law is continued in effect for the  
10 collection of taxes due and for civil and criminal enforcement of  
11 the liability for those taxes.

12 SECTION 5. This Act takes effect September 1, 2021.