

By: Burrows

H.B. No. 4114

A BILL TO BE ENTITLED

AN ACT

relating to the retention of state sales tax revenue collected by certain retailers for a limited period.

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

SECTION 1. Subchapter I, Chapter 151, Tax Code, is amended by adding Section 151.433 to read as follows:

Sec. 151.433. AUTHORIZATION FOR CERTAIN RETAILERS TO RETAIN STATE SALES TAX COLLECTIONS FOR A LIMITED PERIOD. (a) In this section, "qualifying retailer" means a retailer that:

(1) collects and remits to the comptroller sales taxes imposed on the sale of:

(A) a ticket granting admission to a film; and

(B) concessions sold on-site at the retailer's place of business; and

(2) was at any time in 2020 required to cease operations as a result of an order, proclamation, or other instrument issued by the governor, another official of this state, or the governing body or an official of a political subdivision of this state in response to a disaster.

(b) Notwithstanding any other law, a qualifying retailer is not required to remit to the comptroller and may retain the taxes imposed under this chapter and collected by the qualifying retailer on sales made during the period beginning September 1, 2021, and ending August 31, 2023.

1 (c) A qualifying retailer must file with the comptroller a
2 tax report required by this chapter that shows the amount of taxes
3 imposed by this chapter and collected and retained as authorized by
4 this section.

5 (d) A qualifying retailer shall continue to remit to the
6 comptroller sales taxes imposed by a political subdivision of this
7 state and collected on sales with respect to which the qualifying
8 retailer retains collected taxes as authorized by this section.

9 (e) At any time during the period described by Subsection
10 (b), the comptroller may require the qualifying retailer to
11 demonstrate, in a manner prescribed by the comptroller, that the
12 qualifying retailer is in compliance with the requirements of this
13 section.

14 (f) The comptroller, after written notice and a hearing, may
15 revoke a qualifying retailer's authority to retain collected taxes
16 as authorized by this section if the qualifying retailer fails to
17 comply with this chapter or a rule adopted under this chapter. The
18 comptroller shall give notice to the qualifying retailer of the
19 time and place of the hearing on the revocation not later than the
20 20th day before the date of the hearing. The notice must state the
21 reason the comptroller is seeking to revoke the qualifying
22 retailer's authority to retain collected taxes under this section.
23 At the hearing, the qualifying retailer must show cause why the
24 qualifying retailer's authority to retain the collected taxes
25 should not be revoked.

26 (g) This section expires January 1, 2024.

27 SECTION 2. The change in law made by this Act does not

1 affect tax liability accruing before the effective date of this
2 Act. That liability continues in effect as if this Act had not been
3 enacted, and the former law is continued in effect for the
4 collection of taxes due and for civil and criminal enforcement of
5 the liability for those taxes.

6 SECTION 3. This Act takes effect September 1, 2021.