

By: Perry

S.B. No. 296

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the date by which a seller must provide resale and
3 exemption certificates to the comptroller in connection with a
4 sales and use tax audit.

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

6 SECTION 1. Section 151.054(e), Tax Code, is amended to read
7 as follows:

8 (e) Properly completed resale or exemption certificates
9 should be in the possession of the seller at the time the nontaxable
10 transaction occurs. If the seller is not in possession of these
11 certificates at or before the exit conference for an audit of the
12 nontaxable transactions [~~within 60 days from the date written~~
13 ~~notice requiring possession of them is given to the seller by the~~
14 ~~comptroller~~], deductions claimed by the seller that require
15 delivery of the certificates shall be disallowed. If the seller
16 delivers the certificates to the comptroller at or before the exit
17 conference [~~within the 60-day period~~], the comptroller may verify
18 the reason or basis for exemption claimed in the certificates
19 before allowing any deductions. A deduction may not be granted on
20 the basis of certificates delivered to the comptroller after the
21 exit conference [~~60-day period~~].

22 SECTION 2. Section 151.104(d), Tax Code, is amended to read
23 as follows:

24 (d) Properly executed resale or exemption certificates

1 should be in possession of the seller at the time the nontaxable
2 transaction occurs. If the seller is not in possession of these
3 certificates at or before the exit conference for an audit of the
4 nontaxable transactions [~~within 60 days from the date written~~
5 ~~notice requiring possession of them is given to the seller by the~~
6 ~~comptroller~~], deductions claimed by the seller that require
7 delivery of the certificates shall be disallowed. If the seller
8 delivers the [~~acquires~~] certificates to the comptroller at or
9 before the exit conference [~~within the 60-day period~~], the
10 comptroller may verify the reason or basis for exemption claimed in
11 the certificates before allowing any deductions. A deduction may
12 not be granted on the basis of certificates delivered to the
13 comptroller [~~obtained~~] after the exit conference [~~60-day period~~].

14 SECTION 3. Sections [151.054](#)(e) and [151.104](#)(d), Tax Code, as
15 amended by this Act, apply to an audit of a seller's sales
16 transactions that is pending on or commenced on or after the
17 effective date of this Act.

18 SECTION 4. This Act takes effect immediately if it receives
19 a vote of two-thirds of all the members elected to each house, as
20 provided by Section [39](#), Article III, Texas Constitution. If this
21 Act does not receive the vote necessary for immediate effect, this
22 Act takes effect September 1, 2021.