

By: Springer

S.B. No. 586

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the filing of certain reports by distributors of
3 certain off-highway vehicles purchased outside this state;
4 providing civil penalties.

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

6 SECTION 1. The heading to Subchapter I-2, Chapter 151, Tax
7 Code, is amended to read as follows:

8 SUBCHAPTER I-2. REPORTS BY MANUFACTURERS AND DISTRIBUTORS OF
9 CERTAIN OFF-HIGHWAY VEHICLES PURCHASED OUTSIDE THIS STATE

10 SECTION 2. Section 151.481, Tax Code, is amended by
11 amending Subdivision (1) and adding Subdivision (1-a) to read as
12 follows:

13 (1) "Distributor" means a person that distributes
14 off-highway vehicles and is required to hold a distributor's
15 license under Chapter 2301, Occupations Code.

16 (1-a) "Manufacturer" means a person that manufactures
17 off-highway vehicles and is required to hold a manufacturer's
18 license under Chapter 2301, Occupations Code.

19 SECTION 3. The heading to Section 151.482, Tax Code, is
20 amended to read as follows:

21 Sec. 151.482. REPORTS BY MANUFACTURERS AND DISTRIBUTORS.

22 SECTION 4. Section 151.482(a), Tax Code, is amended to read
23 as follows:

24 (a) The comptroller shall require each manufacturer and

1 distributor to file with the comptroller a report not later than
2 March 1 of each year listing each warranty issued by the
3 manufacturer or distributor for a new off-highway vehicle that was,
4 during the preceding calendar year, sold to a resident of this state
5 by a retailer located outside this state. The report must:

- 6 (1) be in a form prescribed by the comptroller; and
7 (2) contain, at a minimum, the following information
8 for each warranty:

9 (A) the vehicle identification number of the
10 vehicle;

11 (B) the make, model, and model year of the
12 vehicle; and

13 (C) the name and address, including street name
14 and number, city, and zip code, of the purchaser of the vehicle.

15 SECTION 5. Section [151.485](#), Tax Code, is amended to read as
16 follows:

17 Sec. 151.485. CIVIL PENALTY. (a) If a manufacturer or
18 distributor fails to file a report required by this subchapter or
19 fails to file a complete report, the comptroller may impose a civil
20 penalty under Section [151.703](#)(d).

21 (b) In addition to the penalty imposed under Subsection (a),
22 a manufacturer or distributor shall pay the state a civil penalty of
23 not less than \$25 or more than \$2,000 for each day a violation
24 continues if the manufacturer or distributor:

- 25 (1) violates this subchapter; or
26 (2) violates a rule adopted to administer or enforce
27 this subchapter.

1 SECTION 6. Section [151.486](#), Tax Code, is amended to read as
2 follows:

3 Sec. 151.486. ACTION BY TEXAS DEPARTMENT OF MOTOR VEHICLES.
4 If a manufacturer or distributor fails to file a report required by
5 this subchapter or fails to file a complete report, the comptroller
6 may notify the Texas Department of Motor Vehicles of the failure and
7 the department may take administrative action against the
8 manufacturer or distributor for the failure under Chapter [2301](#),
9 Occupations Code.

10 SECTION 7. Section [151.487](#), Tax Code, is amended to read as
11 follows:

12 Sec. 151.487. AUDIT; INSPECTION. The comptroller may
13 audit, inspect, or otherwise verify a manufacturer's or
14 distributor's compliance with this subchapter.

15 SECTION 8. Not later than March 1, 2022, a distributor shall
16 submit the first report required by Section [151.482](#), Tax Code, as
17 amended by this Act.

18 SECTION 9. This Act takes effect September 1, 2021.