

By: Thompson of Brazoria

H.B. No. 29

A BILL TO BE ENTITLED

AN ACT

relating to an exemption for policies issued to school districts and open-enrollment charter schools from insurance premium taxes.

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

SECTION 1. Chapter 203, Insurance Code, is amended by adding Section 203.003 to read as follows:

Sec. 203.003. EXEMPTION FROM PREMIUM TAXES FOR PUBLIC SCHOOL POLICIES. (a) Notwithstanding any other law, an insurer is not liable for premium taxes on a policy issued to a school district or open-enrollment charter school.

(b) To qualify for an exemption under this section, the insurer must keep on file a form, signed and dated by an authorized representative of the school district or open-enrollment charter school, affirming that the policy is for a school district or open-enrollment charter school that is eligible to receive funding from the Foundation School Program under Chapter 48, Education Code.

(c) The comptroller and the commissioner may adopt rules necessary to implement this section.

SECTION 2. Section 281.006, Insurance Code, is amended by adding Subsection (a) to read as follows:

(a) In determining an insurer's taxes or other charges under this subchapter, the comptroller shall consider the insurer to be liable for taxes for which an exemption is provided under Section

1 203.003 as if that section did not exist.

2 SECTION 3. The changes in law made by this Act apply only to
3 a tax report originally due on or after the effective date of this
4 Act.

5 SECTION 4. This Act takes effect on the 91st day after the
6 last day of the legislative session.