

## **BILL ANALYSIS**

Senate Research Center

S.B. 2280  
By: Perry  
Finance  
3/31/2023  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 2280 clarifies exempted services by a marketplace provider in the Tax Code under data processing services in relation to the processing of a sale or payment for a marketplace seller, as defined in Section 151.0242.

As proposed, S.B. 2280 amends current law relating to the exclusion of services provided by a marketplace provider from the definition of data processing services.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Sections 151.0035(b) and (c), Tax Code, as follows:

(b) Provides that "data processing service" does not include:

(1)-(2) makes no changes to these subdivisions; or

(3) settling of an electronic payment transaction by:

(A) makes no changes to this paragraph;

(B) a person who is engaged in the business of money transmission and required to obtain a license under Section 151.302(a) (relating to prohibiting a person from engaging in the business of money transmission unless the person has a license or meets certain exceptions), Finance Code;

(C) a federally insured financial institution, as defined by Section 201.101 (Definitions), Finance Code, that is organized under the laws of this state, another state, or the United States, or an affiliate of the institution; or

(D)-(E) makes no changes to these paragraphs; or

(4) services provided by a marketplace provider in relation to the processing of a sale or payment for a marketplace seller, as those terms are defined in Section 151.0242 (Marketplace Providers and Marketplace Sellers).

(c) Provides that, for purposes of Subsection (b)(3):

(1)-(2) makes no changes to these subdivisions; and

(3) redefines "settling of an electronic payment transaction" by deleting existing text providing that the term does not include charges by a marketplace provider, as that term is defined by Section 151.0242.

SECTION 2. APPLICABILITY OF FORMER LAW. Provides that the change in law made by this Act does not affect tax liability accruing before the effective date of this Act. Provides that that liability continues in effect as if this Act had not been enacted, and the former law is continued in effect for the collection of taxes due and for civil and criminal enforcement of the liability for those taxes.

SECTION 3. Effective date: October 1, 2023.