

By: Patterson

H.B. No. 787

A BILL TO BE ENTITLED

AN ACT

relating to a prohibition on the receipt of tax incentives by business entities that assist employees to obtain abortions.

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

SECTION 1. Chapter 1, Tax Code, is amended by adding Section 1.16 to read as follows:

Sec. 1.16. INELIGIBILITY OF CERTAIN BUSINESS ENTITIES FOR TAX INCENTIVES. (a) In this section:

(1) "Business entity" means any entity recognized by law through which business is conducted, including a sole proprietorship, partnership, firm, corporation, limited liability company, holding company, joint stock company, receivership, or trust, that employs one or more employees.

(2) "Tax incentive" means an abatement, credit, discount, exclusion, exemption, limitation on appraised value, refund, special valuation, special accounting treatment, special appraisal method or provision, special rate, or special method of reporting authorized by state law or the state constitution that relates to a tax to which this title applies.

(b) Notwithstanding any other provision of this title, a business entity is ineligible to receive a tax incentive if the entity assists an employee to obtain an abortion, including by paying all or part of any charges associated with the procedure or costs associated with traveling to a location for the procedure.

1 (c) A business entity that is receiving a tax incentive on
2 the date the entity becomes ineligible under Subsection (b) may not
3 receive the incentive after December 31 of the calendar year in
4 which the entity becomes ineligible.

5 SECTION 2. Chapter 101, Tax Code, is amended by adding
6 Section 101.010 to read as follows:

7 Sec. 101.010. INELIGIBILITY OF CERTAIN BUSINESS ENTITIES
8 FOR TAX INCENTIVES. (a) In this section:

9 (1) "Business entity" means any entity recognized by
10 law through which business is conducted, including a sole
11 proprietorship, partnership, firm, corporation, limited liability
12 company, holding company, joint stock company, receivership, or
13 trust, that employs one or more employees.

14 (2) "Tax incentive" means an abatement, credit,
15 discount, exclusion, exemption, limitation on appraised value,
16 refund, special valuation, special accounting treatment, special
17 appraisal method or provision, special rate, or special method of
18 reporting authorized by state law or the state constitution that
19 relates to a tax to which this title applies.

20 (b) Notwithstanding any other provision of this title, a
21 business entity is ineligible to receive a tax incentive if the
22 entity assists an employee to obtain an abortion, including by
23 paying all or part of any charges associated with the procedure or
24 costs associated with traveling to a location for the procedure.

25 (c) A business entity that is receiving a tax incentive on
26 the date the entity becomes ineligible under Subsection (b) may not
27 receive the incentive after that date.

1 SECTION 3. Chapter 301, Tax Code, is amended by adding
2 Section 301.005 to read as follows:

3 Sec. 301.005. INELIGIBILITY OF CERTAIN BUSINESS ENTITIES
4 FOR TAX INCENTIVES. (a) In this section:

5 (1) "Business entity" means any entity recognized by
6 law through which business is conducted, including a sole
7 proprietorship, partnership, firm, corporation, limited liability
8 company, holding company, joint stock company, receivership, or
9 trust, that employs one or more employees.

10 (2) "Tax incentive" means an abatement, credit,
11 discount, exclusion, exemption, limitation on appraised value,
12 refund, special valuation, special accounting treatment, special
13 appraisal method or provision, special rate, or special method of
14 reporting authorized by state law or the state constitution that
15 relates to a tax to which this title applies.

16 (b) Notwithstanding any other provision of this title, a
17 business entity is ineligible to receive a tax incentive if the
18 entity assists an employee to obtain an abortion, including by
19 paying all or part of any charges associated with the procedure or
20 costs associated with traveling to a location for the procedure.

21 (c) A business entity that is receiving a tax incentive on
22 the date the entity becomes ineligible under Subsection (b) may not
23 receive the incentive after:

24 (1) for a tax incentive received under Subtitle B,
25 December 31 of the calendar year in which the entity becomes
26 ineligible; or

27 (2) for a tax incentive received under a subtitle

1 other than Subtitle B, the date the entity becomes ineligible.

2 SECTION 4. The changes in law made by this Act apply to a tax
3 incentive received by a business entity regardless of the date the
4 business entity first began receiving the tax incentive and
5 irrespective of whether the tax incentive is the subject of an
6 agreement between the business entity and this state or a political
7 subdivision of this state.

8 SECTION 5. This Act takes effect immediately if it receives
9 a vote of two-thirds of all the members elected to each house, as
10 provided by Section 39, Article III, Texas Constitution. If this
11 Act does not receive the vote necessary for immediate effect, this
12 Act takes effect September 1, 2023.