

By: Sparks

S.B. No. 63

A BILL TO BE ENTITLED

AN ACT

relating to a sales and use tax exemption for certain unprocessed materials used in the manufacture of hydrocarbons.

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

SECTION 1. Section 151.318(b), Tax Code, is amended to read as follows:

(b) The exemption includes:

(1) chemicals, catalysts, and other materials that are used during a manufacturing, processing, or fabrication operation to produce or induce a chemical or physical change, to remove impurities, or to make the product more marketable;

(2) semiconductor fabrication cleanrooms and equipment; ~~and~~

(3) pharmaceutical biotechnology cleanrooms and equipment that are installed as part of the construction of a new facility on which construction began after July 1, 2003; and

(4) unprocessed sand, dirt, and gravel used in the manufacture of hydrocarbons, which may undergo non-processing activities that include gathering, scooping, shaking, sorting, and washing, unless some method is used to produce a chemical change in the material through these activities.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this

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1 Act does not receive the vote necessary for immediate effect, this  
2 Act takes effect on the 91st day after the last day of the  
3 legislative session.