

By: Lambert

H.B. No. 3952

A BILL TO BE ENTITLED

AN ACT

relating to the exemption of motor vehicles transferred from a decedent's estate.

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

SECTION 1. Section 152.025(a), Tax Code, is amended to read as follows:

(a) A tax is imposed on the recipient of a gift of a motor vehicle. This section applies only if the person receiving the motor vehicle:

(1) receives the vehicle from:

(A) the person's:

(i) spouse;

(ii) parent or stepparent;

(iii) grandparent or grandchild;

(iv) child or stepchild;

(v) sibling; or

(vi) guardian;

~~[(B) a decedent's estate,]~~

(B) ~~[(C)]~~ a trust subject to the Texas Trust Code (Subtitle B, Title 9, Property Code) that was revocable by a decedent or that was jointly revocable by a decedent and the decedent's spouse; or

(C) ~~[(D)]~~ a trust subject to the Texas Trust Code that is revocable by the person receiving the motor vehicle or that

1 is jointly revocable by the recipient and the recipient's spouse;

2 (2) is a trust subject to the Texas Trust Code that is
3 revocable by the transferor of the motor vehicle or that is jointly
4 revocable by the transferor and the transferor's spouse; or

5 (3) is exempt from federal income taxation under
6 Section 501(a), Internal Revenue Code of 1986, by being listed as an
7 exempt organization under Section 501(c)(3) of that code, and the
8 vehicle will be used for the purposes of the organization.

9 SECTION 2. Section 152.062(b-2), Tax Code, is amended to
10 read as follows:

11 (b-2) A joint statement required by Subsection (b)(3) that
12 relates to a gift from a person ~~[or estate]~~ described by Section
13 152.025(a)(1) must be filed in person by the recipient of the gift
14 or, as applicable, the person from whom the gift is received ~~[or a~~
15 ~~person authorized to act on behalf of the estate from which the gift~~
16 ~~is received]~~. A motor vehicle title service required to be licensed
17 under Chapter 520, Transportation Code, may not be used to file the
18 statement. The person who files the statement must present to the
19 tax assessor-collector an unexpired identification document issued
20 to the person that bears the person's photograph and is:

21 (1) a driver's license or personal identification card
22 issued by this state or another state of the United States;

23 (2) an original United States passport or an original
24 passport issued by a foreign country;

25 (3) an identification card or similar form of
26 identification issued by the Texas Department of Criminal Justice;

27 (4) a United States military identification card; or

1 (5) an identification card or document issued by the
2 United States Department of Homeland Security or United States
3 Citizenship and Immigration Services.

4 SECTION 3. Subchapter E, Chapter 152, Tax Code, is amended
5 by adding Section 152.094 as follows:

6 Sec. 152.094. MOTOR VEHICLE ACQUIRED BY A DISTRIBUTEE.

7 (a) In this section, "distribute" and "estate" have the
8 meanings assigned by Chapter 22, Estates Code.

9 (b) The taxes imposed by this chapter do not apply to a motor
10 vehicle acquired under Section 501.031, Transportation Code or from
11 an estate by a distributee.

12 SECTION 4. The change in law made by this Act does not
13 affect tax liability accruing before the effective date of this
14 Act. That liability continues in effect as if this Act had not been
15 enacted, and the former law is continued in effect for the
16 collection of taxes due and for civil and criminal enforcement of
17 the liability for those taxes.

18 SECTION 5. This Act takes effect September 1, 2025.