

By: Hinojosa of Nueces

S.B. No. 1731

A BILL TO BE ENTITLED

AN ACT

relating to a franchise tax exemption for corporations operating a spaceport for certain national defense purposes.

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

SECTION 1. Subchapter B, Chapter 171, Tax Code, is amended by adding Section 171.089 to read as follows:

Sec. 171.089. EXEMPTION-SPACEPORT USED FOR NATIONAL DEFENSE PURPOSES. A corporation is exempted from the franchise tax if the corporation operates a spaceport:

(1) licensed by the Federal Aviation Administration;

and

(2) that is critical to the performance of a contract between the corporation and the United States Department of Defense to provide spaceflight or launch services to that department.

SECTION 2. The change in law made by this Act applies only to a report originally due on or after the effective date of this Act.

SECTION 3. This Act takes effect September 1, 2025.