

BILL ANALYSIS

H.B. 3118
By: Schaefer
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

There have been calls for the state to do more to ensure that the use tax due on the out-of-state purchase of an all-terrain vehicle or recreational off-highway vehicle is collected to help prevent unfair competition that may be costing Texas retailers sales and the state jobs and revenue. In an effort to level the playing field for Texas retailers, H.B. 3118 seeks to prohibit a title receipt from being issued for such a vehicle without certification that the applicable use tax was paid.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 3118 amends the Transportation Code to prohibit a county assessor-collector from issuing a title receipt for an all-terrain vehicle or recreational off-highway vehicle purchased from a retailer located outside of Texas and designated by the manufacturer by a model year that is not more than one year before the year in which the application is presented unless the applicant certifies on a form prescribed by the comptroller of public accounts that the applicant has paid to the comptroller the applicable use tax imposed on the vehicle.

EFFECTIVE DATE

September 1, 2019.