

- SUBJECT:** Requirements for titling off-highway vehicles purchased outside the state
- COMMITTEE:** Ways and Means — favorable, without amendment
- VOTE:** 9 ayes — Burrows, Guillen, Bohac, Martinez Fischer, Murphy, Noble, E. Rodriguez, Shaheen, Wray
- 0 nays
- 2 absent — Cole, Sanford
- WITNESSES:** For — (*Registered, but did not testify:* Calvin Tillman; Al Zito)
- Against — None
- On — Larry Gaddes, Tax Assessor Collector Association of Texas;
(*Registered, but did not testify:* Kip Niles, Arlington Motorsports;
Lavonne Key, Comptroller of Public Accounts; Jeremiah Kuntz, Texas
Department of Motor Vehicles)
- BACKGROUND:** Tax Code ch. 151, subch. D governs imposition and collection of a use tax imposed on items purchased for storage, use, or other consumption in the state.
- Some have suggested that there are insufficient mechanisms in place to ensure use tax is paid on off-road vehicles purchased out of state.
- DIGEST:** HB 3118 would prohibit a county assessor-collector from issuing a title receipt for an all-terrain or recreational off-highway vehicle that was purchased from an out-of-state retailer and that had a model year within a year of the date the title application was made unless the applicant signed a form affirming the applicant had paid the applicable use tax.
- The bill would take effect September 1, 2019.
- NOTES:** According to the Legislative Budget Board, the bill would have a positive

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impact of \$2.9 million to general revenue related funds through fiscal 2020-21.