SECTION 3. 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 Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

Passed by the House on May 10, 2013: Yeas 143, Nays 0, 2 present, not voting; the House concurred in Senate amendments to H.B. No. 1125 on May 24, 2013: Yeas 142, Nays 0, 2 present, not voting; passed by the Senate, with amendments, on May 22, 2013: Yeas 31, Nays 0.

Approved June 14, 2013.

Effective June 14, 2013.

CHAPTER 1272

H.B. No. 1133

AN ACT

relating to a sales and use tax refund for tangible personal property used to provide cable television service, Internet access service, or telecommunications service and to the exclusion of that property in certain economic development agreements.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.3186 to read as follows:

Sec. 151.3186. PROPERTY USED IN CABLE TELEVISION, INTERNET ACCESS, OR TELECOMMUNICATIONS SERVICES. (a) In this section, "provider" means a provider of cable television service, Internet access service, or telecommunications services.

(b) A provider is entitled to a refund of the tax imposed by this chapter on the sale, lease, or rental or storage, use, or other consumption of tangible personal property if:

(1) the property is sold, leased, or rented to or stored, used, or consumed by a provider or a subsidiary of a provider; and

(2) the property is directly used or consumed by the provider or subsidiary described by Subdivision (1) in or during:

(A) the distribution of cable television service;

(B) the provision of Internet access service; or

(C) the transmission, conveyance, routing, or reception of telecommunications services.

(c) Notwithstanding Subsection (b), property directly used or consumed in or during the provision, creation, or production of a data processing service or information service is not eligible for a refund under this section.

(d) The amount of the refund to which a provider or subsidiary, as described by Subsection (b)(1), is entitled under this section for a calendar year is equal to:

(1) the amount of the tax paid by the provider or subsidiary during the calendar year on property eligible for a refund under this section, if the total amount of tax paid by all providers and subsidiaries described by Subsection (b)(1) that are eligible for a refund under this section is not more than $50 million for the calendar year, or

(2) a pro rata share of $50 million, if the total amount of tax paid by all providers and subsidiaries described by Subsection (b)(1) that are eligible for a refund under this section is more than $50 million for the calendar year.

(e) The refund provided by this section does not apply to the taxes imposed under Subtitle C, Title 3.

SECTION 2. Section 313.021(2), Tax Code, is amended to read as follows:

(2) "Qualified property" means:
(A) land:
(i) that is located in an area designated as a reinvestment zone under Chapter 311 or 312 or as an enterprise zone under Chapter 2303, Government Code;
(ii) on which a person proposes to construct a new building or erect or affix a new improvement that does not exist before the date the person applies for a limitation on appraised value under this subchapter;
(iii) that is not subject to a tax abatement agreement entered into by a school district under Chapter 312; and
(iv) on which, in connection with the new building or new improvement described by Subparagraph (ii), the owner or lessee of, or the holder of another possessory interest in, the land proposes to:
(a) make a qualified investment in an amount equal to at least the minimum amount required by Section 313.023; and
(b) create at least 25 new jobs;
(B) the new building or other new improvement described by Paragraph (A)(ii); and
(C) tangible personal property [that]:
(i) that is not subject to a tax abatement agreement entered into by a school district under Chapter 312; [and]
(ii) for which a sales and use tax refund is not claimed under Section 151.3186; and
(iii) except for new equipment described in Section 151.318(q) or (q-1), that is first placed in service in the new building or in or on the new improvement described by Paragraph (A)(ii), or on the land on which that new building or new improvement is located, if the personal property is ancillary and necessary to the business conducted in that new building or in or on that new improvement.

SECTION 3. The change in law made by this Act does not affect tax liability accruing before the effective date of this Act. That liability continues in effect as if this Act had not been enacted, and the former law is continued in effect for the collection of taxes due and for civil and criminal enforcement of the liability for those taxes.

SECTION 4. This Act takes effect September 1, 2013.

Passed by the House on May 7, 2013: Yeas 130, Nays 0, 4 present, not voting; passed by the Senate on May 21, 2013: Yeas 31, Nays 0.

Approved June 14, 2013.
Effective September 1, 2013.

CHAPTER 1273
H.B. No. 1198

AN ACT
relating to authorizing an optional county fee on vehicles registered in certain counties to fund transportation projects.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Sections 502.402(a) and (e), Transportation Code, are amended to read as follows:
(a) This section applies only to a county that:
(1) [that] borders the United Mexican States; and
(2) [that] has a population of more than 250,000 [300,000; and
[(2) in which the largest municipality has a population of less than 300,000].