CHAPTER 1361

S.B. No. 1533

AN ACT
relating to municipal sales and use tax remittances by certain retailers.

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

SECTION 1. Subdivision (3), Subsection (a), Section 321.002, Tax Code, is amended to read as follows:

(3)(A) "Place of business of the retailer" means an established outlet, office, or location operated by the retailer or the retailer's agent or employee for the purpose of receiving orders for taxable items and includes any location at which three or more orders are received by the retailer during a calendar year. A warehouse, storage yard, or manufacturing plant is not a "place of business of the retailer" unless at least three orders are received by the retailer during the calendar year at the warehouse, storage yard, or manufacturing plant.

(B) An outlet, office, facility, or any location that contracts with a retail or commercial business to process for that business invoices, purchase orders, bills of lading, or other equivalent records onto which sales tax is added, including an office operated for the purpose of buying and selling taxable goods to be used or consumed by the retail or commercial business, is not a "place of business of the retailer" if the comptroller determines that the outlet, office, facility, or location functions or exists to avoid the tax legally due under this chapter or exists solely to rebate a portion of the tax imposed by this chapter to the contracting business. An outlet, office, facility, or location does not exist to avoid the tax legally due under this chapter or solely to rebate a portion of the tax imposed by this chapter if the outlet, office, facility, or location provides significant business services, beyond processing invoices, to the contracting business, including logistics management, purchasing, inventory control, or other vital business services.

(C) Notwithstanding any other provision of this subdivision, a kiosk is not a "place of business of the retailer." In this subdivision, "kiosk" means a small stand-alone area or structure that:

(i) is used solely to display merchandise or to submit orders for taxable items from a data entry device, or both;

(ii) is located entirely within a location that is a place of business of another retailer, such as a department store or shopping mall; and

(iii) at which taxable items are not available for immediate delivery to a customer.

SECTION 2. 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 3. This Act takes effect September 1, 2013.

Passed the Senate on April 29, 2013: Yeas 31, Nays 0; passed the House on May 22, 2013: Yeas 148, Nays 0, two present not voting.

Approved June 14, 2013.

Effective September 1, 2013.

CHAPTER 1362

S.B. No. 1585

AN ACT
relating to the authority of certain counties to impose a county hotel occupancy tax.
Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 352.002, Tax Code, is amended by adding Subsection (u) to read as follows:

(u) The commissioners court of a county that borders the Rio Grande River and has a population of less than 6,000 and an area of more than 2,500 square miles may impose a tax as provided by Subsection (a). A tax imposed under this subsection does not apply to a hotel located in a municipality that imposes a tax under Chapter 351 applicable to the hotel.

SECTION 2. 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 the Senate on April 25, 2013: Yeas 28, Nays 0; passed the House on May 22, 2013: Yeas 145, Nays 3, two present not voting.

Approved June 14, 2013.
Effective June 14, 2013.

CHAPTER 1363
S.B. No. 1596
AN ACT
relating to emergency services districts.

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

SECTION 1. Subsections (a) and (c), Section 775.022, Health and Safety Code, are amended to read as follows:

(a) If a municipality completes all other procedures necessary to annex territory in a district and if the municipality intends to remove the territory from the district and be the sole provider of [or-@4d4o] emergency services to the territory by the use of municipal personnel or by some method other than by use of the district, the municipality shall send written notice of those facts [that fact] to the board. The municipality must send the notice to the secretary of the board by certified mail, return receipt requested. The territory remains part of the district and does not become part of the municipality until the secretary of the board receives the notice. On receipt of the notice, the board shall immediately change its records to show that the territory has been disannexed from the district and shall cease to provide further services to the residents of that territory. This subsection does not require a municipality to remove from a district territory the municipality has annexed.

(c) If a municipality removes [ann@Kes] territory from [is] a district that the municipality has annexed, the municipality shall compensate the district immediately after disannexation of the territory under Subsection (a) in an amount equal to the annexed territory's pro rata share of the district's bonded and other indebtedness as computed according to the formula in Subsection (e). The district shall apply compensation received from a municipality under this subsection exclusively to the payment of the annexed territory's pro rata share of the district's bonded and other indebtedness.

SECTION 2. Subchapter C, Chapter 775, Health and Safety Code, is amended by adding Section 775.045 to read as follows:

Sec. 775.045. APPLICABILITY OF CERTAIN LAWS. (a) Except as provided by Subsection (b), notwithstanding any other law:

(1) Section 1301.551(i), Occupations Code, applies to a district as if the district were a municipality; and

(2) Section 233.062, Local Government Code, applies to a district as if the district were in an unincorporated area of a county.

(b) Subsection (a) does not apply to a district: