

BILL ANALYSIS

Senate Research Center
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S.B. 1678
By: Jackson
Finance
4/20/2001
Committee Report (Amended)

DIGEST AND PURPOSE

Currently, a printed newspaper is exempt from the sales tax, but there is no statutory provision regarding exemption from taxes for a newspaper that is faxed or e-mailed. S.B. 1678 adds to the Tax Code an exemption for electronic information services if certain requirements for the service are met.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 151.351, Tax Code, to add an exception as provided by Section 151.3511 relating to an exemption from taxes imposed by this chapter.

SECTION 2. Amends Chapter 151H, Tax Code, by adding Section 151.3511, as follows:

Sec. 151.3511. LOCAL ELECTRONIC INFORMATION SERVICES. Provides that the sale of an information service is exempt from taxes imposed by this chapter if the services meets certain requirements.

SECTION 3. Provides that Section 151.3511, Tax Code, as added by this Act, expires August 31, 2003.

SECTION 4. (a) Effective date: July 1, 2001, or October 1, 2001.

(b) Makes application of this Act prospective.

SUMMARY OF COMMITTEE CHANGES

Differs from original by adding a new SECTION 3 that provides that Section 151.3511, Tax Code, as added by this Act, expires August 31, 2003. Redesignates original SECTION 3 as SECTION 4.