

BILL ANALYSIS

Senate Research Center
78R13192 DAK-F

C.S.S.B. 1780
By: Ogden
Finance
5/6/2003
Committee Report (Substituted)

DIGEST AND PURPOSE

Currently, a corporation is unable to claim a franchise tax credit for certain qualified capital investments. C.S.S.B. 1780 authorizes a corporation to claim a franchise tax credit for certain qualified capital investments.

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 171.802, Tax Code, by adding Subsection (d) to authorize a corporation to claim a credit or take a carryforward credit for a qualified capital investment made on or after January 1, 2003, without regard to whether the county in which it makes the qualified capital investment has lost its designation as a strategic investment area if the corporation committed to the investment in the county before January 2003; at the time the corporation made the commitment, the county was designed as a strategic investment area; the total investment is at least \$100 million; the county has a population of less than 15,400; and the corporation made a qualified capital investment in the county in each of the two years preceding the year in which the corporation made the qualified capital investment under this subsection.

SECTION 2. Effective date: September 1, 2003.