

BILL ANALYSIS

S.B. 1009
By: Eltife
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note that, for more than 30 years, Texas has exempted property used in the manufacturing process from the sales and use tax, with roundly successful results as Texas continues to be a leader in manufacturing output and jobs. Recent legislation created a sales and use tax refund for property used in connection with providing cable television service, Internet access service, or telecommunications services, with the intention of spurring new economic activity, creating new jobs, improving broadband services, and restoring Texas' competitive edge over other states when it comes to investment in the infrastructure that provides such services. S.B. 1009 seeks to advance these efforts.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 1009 amends the Tax Code to increase from \$50 million to \$150 million the maximum amount of a sales and use tax refund per calendar year for tangible personal property sold, leased, or rented to or stored, used, or consumed by a provider of cable television service, Internet access service, or telecommunications services or a subsidiary of such a provider.

EFFECTIVE DATE

September 1, 2015.