

BILL ANALYSIS

H.B. 3103
By: Darby
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note confusion regarding the state's jurisdiction to tax tangible personal property in relation to trucking companies that operate their tractors and trailers throughout the United States. H.B. 3103 seeks to clarify that taxing jurisdiction by specifying circumstances under which property is considered to be used continually, whether regularly or irregularly, in Texas.

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

H.B. 3103 amends the Tax Code to specify that, for purposes of the state's jurisdiction to tax tangible personal property, property is considered to be used continually, whether regularly or irregularly, in Texas if the property is used in Texas three or more times on regular routes or for three or more completed assignments occurring in close succession throughout the year. A series of events are considered to occur in close succession throughout the year if they occur in sequence within a short period at intervals from the beginning to the end of the year. The bill specifies that its provisions are a clarification of existing law and do not imply that existing law may be construed as inconsistent with the law as amended by the bill.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.