

BILL ANALYSIS

H.B. 3992
By: Murphy
Agriculture & Livestock
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note the need to clarify in statute that a certain type of agricultural cooperative is exempt from the franchise tax. H.B. 3992 seeks to provide such clarification.

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. 3992 amends the Tax Code to clarify that a cooperative whose single member is a farmers' cooperative described under certain provisions of the federal Internal Revenue Code that has at least 500 farmer-fruit grower members is a cooperative exempted from the franchise tax.

EFFECTIVE DATE

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