

BILL ANALYSIS

Senate Research Center

H.B. 3386
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Finance
5/9/2019
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

There have been calls for clarity regarding the sales and use tax exemption for amusement services that are exclusively provided by a nonprofit corporation for the purpose of encouraging agriculture by the maintenance of public fairs and exhibitions of livestock and from which no individual received a private benefit. H.B. 3386 seeks to provide that clarity with respect to the principal use of an approved venue project at which such amusement services are provided.

H.B. 3386 amends current law relating to the sales and use tax exemption for certain amusement services.

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 151.3101, Tax Code, by adding Subsection (d) to provide that an amusement service is exclusively provided under Subsection (a)(4) (relating to providing that amusement services are exempted from the taxes imposed by this chapter only if exclusively provided by a certain nonprofit corporation) if the amusement service is provided at a "designated facility" defined in Section 334.401 (Definitions), Local Government Code, which is also a qualified project as defined in Section 351.1015(a)(5)(B) (relating to the definition of "qualified project") of this code.

SECTION 2. Provides that the change in law made by this Act does not affect taxes imposed before the effective date of this Act, and the law in effect before the effective date of this Act is continued in effect for purposes of the liability for and collection of those taxes.

SECTION 3. Effective date: October 1, 2019.