

**BILL ANALYSIS**

C.S.H.B. 2507  
By: Kacal  
Ways & Means  
Committee Report (Substituted)

**BACKGROUND AND PURPOSE**

According to interested parties, state law has previously been interpreted to allow for television and radio stations to be granted a sales tax exemption for the purchase of certain digital transmission equipment. Several years ago, according to the parties, the comptroller of public accounts rescinded its longstanding confirmation of the sales tax exemption for radio stations' digital transmission equipment. The parties maintain that radio transmission is a critical emergency alerting technology and that the public benefits from the transition of local radio broadcast to digital transmission. C.S.H.B. 2507 seeks to address this issue.

**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**

C.S.H.B. 2507 amends the Tax Code to exempt from the sales and use tax tangible personal property that is sold to certain digital audio broadcast entities if the property is necessary to provide certain broadcast service described by federal regulations.

**EFFECTIVE DATE**

September 1, 2015.

**COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 2507 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED	HOUSE COMMITTEE SUBSTITUTE
SECTION 1. Section 151.3185, Tax Code, is amended.	SECTION 1. Same as introduced version.
SECTION 2. The amendment made by this Act to Section 151.3185, Tax Code, is a	No equivalent provision.

clarification of existing law and does not imply that Section 151.3185, Tax Code, before the amendment made by this Act, may be construed as inconsistent with Section 151.3185, Tax Code, as amended by this Act.

No equivalent provision.

SECTION 3. This Act takes effect September 1, 2015.

SECTION 2. The change in law made by this Act does not affect tax liability accruing before the effective date of this Act. That liability continues in effect as if this Act had not been enacted, and the former law is continued in effect for the collection and enforcement of those taxes.

SECTION 3. Same as introduced version.