

BILL ANALYSIS

H.B. 2731
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Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note that non-profit ambulances, unlike those maintained and operated by government-funded entities, are not allowed a tax exemption on the purchase of certain fuels. The parties contend that fuel expenses contribute significantly to the high costs associated with operating ambulance vehicles and have expressed concern that these costs are being passed on to consumers and other payors. H.B. 2731 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

H.B. 2731 amends the Tax Code to exempt from the gasoline tax, diesel fuel tax, liquefied gas tax, and compressed natural gas and liquefied natural gas tax gasoline, diesel fuel, liquefied petroleum gas, or compressed or liquefied natural gas sold to, or delivered into the fuel supply tank of a vehicle operated by, as applicable, a nonprofit entity that is organized for the sole purpose of, and engaged exclusively in, providing emergency medical services and that uses the fuel exclusively to provide emergency medical services, including rescue and ambulance services.

H.B. 2731 entitles such a nonprofit entity that paid tax on the purchase of gasoline or diesel fuel to a refund of the tax paid and authorizes the entity to file a refund claim with the comptroller of public accounts for that amount. The bill excepts a motor vehicle that uses liquefied petroleum gas that is owned by a nonprofit entity qualified for a liquefied gas tax exemption from requirements to have a liquefied gas tax decal or a special use liquefied gas tax decal.

H.B. 2731 authorizes such a nonprofit entity that holds a compressed natural gas and liquefied natural gas dealer's license to take a credit on a return for the period in which the purchase of compressed or liquefied natural gas occurred and authorizes such an entity that does not hold such a dealer's license and that paid tax on the compressed or liquefied natural gas to file a refund claim with the comptroller if the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the nonprofit entity to provide emergency medical services, including rescue and ambulance services.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.