

## **BILL ANALYSIS**

H.B. 619  
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Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The retail marine industry, interested parties note, provides significant economic benefit to regions along the Texas coast. According to the parties, several states have recently made changes to their state tax structure to create a boater-friendly environment, which has placed Texas at a competitive disadvantage, harmed sales tax revenue, and jeopardized Texas marine industry jobs and the jobs of ancillary businesses. H.B. 619 seeks to address this issue to allow Texas to remain competitive with other states and retain Texas jobs.

### **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 rulemaking authority is expressly granted to the comptroller of public accounts in SECTION 1 of this bill.

### **ANALYSIS**

H.B. 619 amends the Tax Code to exempt the sale of a taxable boat or boat motor from taxes on sales and use of boats and boat motors if the boat or motor is sold in Texas for use in another state or nation and is removed from Texas not more than 10 days after the date of purchase or if the boat or motor is sold in Texas for use in another state or nation; is docked at or placed in a boat repair facility registered with the comptroller of public accounts for repairs or modifications not later than the 10th day after the date of purchase; is not used by a person while it is being repaired or modified, except as necessary to test the repairs or modifications; and is removed from Texas not more than 20 days after the date the repairs or modifications are finished. The bill requires the comptroller to adopt rules and procedures to implement the exemption. The bill limits the retail sales tax that may be imposed on the sale of a taxable boat or boat motor sold in Texas to a maximum of \$15,625.

### **EFFECTIVE DATE**

September 1, 2015.