

## **BILL ANALYSIS**

C.S.S.B. 1364  
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Ways & Means  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

According to interested parties, the comptroller of public accounts continues to see an increase in the number of taxpayers using electronic means to file their franchise tax reports, as well as in the number of reports indicating no tax due. Despite this, the parties note, there are currently no requirements for electronically filing franchise tax reports indicating no tax due. C.S.S.B. 1364 seeks to provide for such requirements.

### **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.S.B. 1364 repeals a Tax Code provision authorizing the comptroller of public accounts to adopt rules requiring electronic filing of certain tax reports outside those required in relation to the sales and use, oil production, and gas production taxes.

C.S.S.B. 1364 amends the Tax Code to include an information report regarding a taxable entity's taxable margin with regard to the franchise tax among the reports for which electronic filing is to be required by comptroller rule.

C.S.S.B. 1364 repeals Section 111.0626(b), Tax Code.

### **EFFECTIVE DATE**

September 1, 2015.

### **COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE**

While C.S.S.B. 1364 may differ from the engrossed in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the engrossed and committee substitute versions of the bill.

#### **SENATE ENGROSSED**

SECTION 1. Section 111.0626(a), Tax Code, is amended.

#### **HOUSE COMMITTEE SUBSTITUTE**

SECTION 1. Same as engrossed version.

SECTION 2. The heading to Section 171.362, Tax Code, is amended to read as follows:

Sec. 171.362. PENALTY FOR FAILURE TO PAY TAX OR PROPERLY FILE REPORT.

No equivalent provision.

SECTION 3. Section 171.362, Tax Code, is amended by adding Subsection (g) to read as follows:

(g) In addition to any other penalty authorized by this section or Section 111.063, a taxable entity that fails to file a report required under Section 171.204 electronically as required by Section 111.0626(a)(2) shall pay a penalty of \$50 unless the taxable entity qualifies for a waiver from the electronic filing requirement under a rule adopted under Section 111.0626(c). The penalty provided by this subsection is assessed without regard to whether the taxable entity subsequently files the report electronically or whether any taxes were due from the taxable entity for the reporting period under the required report.

No equivalent provision.

SECTION 4. Section 111.0626(b), Tax Code, is repealed.

SECTION 2. Same as engrossed version.

SECTION 5. This Act takes effect September 1, 2015.

SECTION 3. Same as engrossed version.