

## **BILL ANALYSIS**

S.B. 1083  
By: Perry  
Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties suggest that, even though traditional certified public accountancy services are not intended to be subject to the sales and use tax applicable to certain insurance services, there are instances in which the tax has been applied. S.B. 1083 seeks to address this issue by creating a limited sales and use tax exemption for a service performed by or on behalf of certain certified public accountancy firms.

### **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**

S.B. 1083 amends the Tax Code to exempt from the sales and use tax a service performed by a certified public accountancy firm, if less than one percent of the firm's total revenue in the prior calendar year is from services in Texas that would otherwise constitute taxable insurance service, and a service performed on behalf of a certified public accountancy firm by an owner of the firm or a member of the firm's affiliated group, if less than one percent of the owner's or member's total revenue in the prior calendar year is from services in Texas that would otherwise constitute taxable insurance service.

### **EFFECTIVE DATE**

January 1, 2018.