

SUBJECT:	Excluding academic transcripts from sales and use taxes
COMMITTEE:	Ways and Means — favorable, without amendment
VOTE:	10 ayes — Meyer, Thierry, Button, Cole, Guerra, Martinez Fischer, Murphy, Noble, Sanford, Shine 0 nays 1 absent — Rodriguez
WITNESSES:	For — (<i>Registered, but did not testify</i> : Dale Craymer, Texas Taxpayers and Research Association) Against — (<i>Registered, but did not testify</i> : Susana Carranza; Idona Griffith; Robert Norris) On — (<i>Registered, but did not testify</i> : Karey Barton, Comptroller of Public Accounts)
BACKGROUND:	Tax Code ch. 151 defines an "information service" as furnishing general or specialized news or other current information or as electronic data retrieval or research. Sec. 151.0101 specifies that information services are taxable services under the Limited Sales, Excise, and Use Tax Act.
DIGEST:	HB 2625 would specify that information services subject to sales and use taxes did not include the furnishing of an academic transcript. The bill would take effect October 1, 2021, and would not affect tax liability accruing before that date.
SUPPORTERS SAY:	HB 2625 would clarify that furnishing academic transcripts was not a taxable information service and so all transcripts should be excluded from sales and use taxes. While these taxes are not imposed on public university transcripts, the furnishing of a transcript by a private university could be considered a taxable information service as defined under current

law. By specifying that academic transcripts are exempted from this definition, the bill would treat students from all universities equally and ensure that no student had to pay an extra fee to obtain a transcript.

CRITICS
SAY:

No concerns identified.